

# Report of the Mobile Home Task Force

February 1<sup>st</sup>, 2024



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## **Mobile Home Task Force Members**

The Mobile Home Task Force consisted of seven members:

Shaun Gilpin	Department of Housing and Community Development
Wendy Harrison	Senate, Windham District, Committee on Economic Development, Housing and General Affairs
Mary Houghton	The Housing Foundation, Inc.
Sandrine Kibuey	Champlain Valley Office of Economic Opportunity
Pollaidh Major	Vermont Housing and Conservation Board
Gayle Pezzo	President, Westbury Homeowners Association
Curt Taylor, Chair	House of Representatives, Chittenden-20 Committee on Ways and Means

## **Statutory Charge**

Act 47 of 2023 states that the Task Force shall study the current landscape for mobile homes and mobile home parks in this State, including the following issues:

- (1) the status of mobile homes and mobile home parks within Vermont's housing portfolio;
- (2) the condition and needs for mobile home park infrastructure among parks of various sizes;
- (3) the current statutory treatment of mobile homes either as personal or real property;
- (4) modern construction, energy efficiency, and durability of manufactured housing, and the availability, affordability, and suitability of alternative types of manufactured, modular, or other housing;
- (5) the type and scope of data and information collected concerning mobile home residents, mobile homes, and mobile home parks and opportunities to make the data and information more centralized, accessible, and useful for informing policy decisions; and
- (6) conversion to cooperative ownership and technical assistance available to prospective and new cooperative owners, including the availability of guidance concerning governance structures, operation, and conflict resolution.

On or before January 15, 2024, the Task Force shall submit a written report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.

## **Acknowledgements**

The Mobile Home Task Force would like to thank the following individuals for their considerable help and commitment to mobile home residents and parks in Vermont.

Jeremiah Ward of the Cooperative Development Institute  
Peter Schneider of Efficiency Vermont

## **Terms**

CVOEO	Champlain Valley Office of Economic Opportunity
CDI	Cooperative Development Institute
DHCD	Department of Housing and Community Development
HUD	U.S. Department of Housing and Urban Development
UVM	University of Vermont
VHFA	Vermont Housing Finance Agency
MHIR	Mobile Home Improvement and Repair program
DWGPD	Drinking Water and Groundwater Protection Division
EPA	Environmental Protection Agency
DEC-SRF	Department of Environmental Conservation - State Revolving Fund
ANR	Agency of Natural Resources

## **Key Findings and Recommendations**

**1. Infrastructure.** Nearly all of Vermont’s mobile home parks were established prior to the enactment of current environmental regulations relating to drinking, waste, and storm water. Though the exact age of the State’s mobile homes stock is not readily available, a sizable portion were manufactured and sited prior to HUD regulation and enforcement.

The State should sustain and enhance programs to address mobile home park infrastructure needs. Additionally, the State should undertake a comprehensive needs assessment to identify near- and long-term mobile home park infrastructure conditions and needs and develop a plan to address those needs. For individual mobile homes the well-received MHIR Home Repair Awards program and regional housing rehab loan fund programs should be expanded.

**2. Streamline Mobile Home Park Infrastructure Development.** Developing and funding infrastructure projects currently requires time-consuming and costly technical expertise across a range of professional competencies, including development consulting, grant writing, financing, and regulatory and legal advising.

Relevant legislative committees should receive testimony from developers, program administrators, mobile home park owners, and State agencies to better understand and simplify processes for initiating, financing, monitoring, and completing mobile home park infrastructure projects.

**3. Prioritize Residents in Policy Development.** Residents of mobile homes actively engage in the management of their communities, possess the most current information on mobile homes and mobile home parks and live the consequences of policy decisions in their day-to-day lives.

The State should seek and prioritize input from residents of mobile homes in any future efforts to develop policy governing mobile homes or mobile home parks. The Task Force acknowledges the invaluable role residents played in developing this report and stresses that resident participation is essential for all future policy efforts.

**4. Ensure that an environmental justice perspective is applied to the programs and funding resources that assist mobile home parks and residents.** Act 154 of 2022 clearly states Vermont’s Environmental Justice policy. That policy must be applied when developing, resourcing, and implementing programs to address the State’s housing and climate resilience needs.

Ensure that Act 154’s reporting requirement to ANR is met. Adequately fund the Environmental Justice Advisory Council. Monitor ANR’s development of the Environmental Justice Mapping Tool required by Act 154 and confirm the inclusion of mobile homes and mobile home parks in its analysis. Continue to raise the issue of environmental justice during consideration of any state policy, programs, and funding relating to housing and mobile homes.

**5. Encourage the use of modern, energy-efficient mobile homes.** Modern advancements in building technology and energy science enable purchasers of new mobile homes to have affordable housing without sacrificing quality or energy efficiency. They can expect to build equity in their homes.

Mobile homes must be an important part of initiatives to provide affordable housing responsive to the challenges of climate change and a tight labor market.

**6. Support Mobile Home Park Governance.** Running a cooperative mobile home park is new to most park residents and challenging by its nature. Leadership tasks are particularly difficult if the park cannot afford a professional management firm.

The State should allocate additional funding to CVOEO and similar organizations to support park leadership teams and to develop a means to assist in addressing the day-to-day management needs of parks.

**7. Modernize Mobile Home Statutes.** Existing State law on mobile homes and mobile home parks treats certain communities and residents differently based on what appear to be arbitrary factors.

Legislation has been proposed in 2024 to amend the definition of “mobile home park” to include communities where mobile home residents own their lots. Additional clarity is necessary in the laws and procedures relating to the financing and taxation of mobile home transfers.

**8. Centralize Mobile Home Data.** While relatively comprehensive data on mobile homes and mobile home parks exists and is publicly available, that data is not regularly compiled, centralized, cross-checked, and made available to policymakers in a report format.

The State should task a single State agency with convening a group of stakeholders to identify a means of regularly collecting and compiling mobile home related data into a consistently formatted annual report that tracks changes in the mobile home housing sector.

### **Other Specific Recommendations**

This report has additional specific recommendations in response to the six charges. They can be found at the conclusion of the discussion of each charge and are restated at the end of the report.

## **Introduction**

The mobile home sector is unique among Vermont's housing sectors. Mobile homes differ from traditional housing units in that they are, by definition, mobile. As a manufactured product transported across state lines, a mobile home is subject to considerable federal regulation regarding design, production, transportation, and installation. Quality, durability, safety, and affordability are explicitly stated as purposes for those federal regulations. In recent years, the energy efficiency of mobile homes has received increased federal attention, with current federal regulations encouraging the use of some of the latest building technologies and materials.

Mobile homes are unique in their relationship to the land they occupy. A significant number of resident-owned mobile homes are sited on leased land: of the estimated 20,000 mobile homes in Vermont, approximately 7,000 are in mobile home parks on leased land; the remaining 13,000 are on land that is either leased or owned. Mobile homes owners bear the same maintenance burdens as owners of site-built homes, yet, on rented lots, their ability to build equity is limited.

Mobile home parks are unique communities. The affordability of mobile homes keeps these communities in reach of Vermonters of all income levels. But unlike most neighborhoods accessible to lower-income Vermonters, mobile home parks are owned communities, subject to governance and control by sole proprietors, cooperatives, or for-profit or non-profit corporations. Maintaining affordability under these ownership structures can prove a challenge.

A large majority of Vermont's mobile home parks were established prior to 1970. The average age of parks, combined with incidences of deferred maintenance on critical infrastructure, has resulted in mobile home parks now facing costly infrastructure repairs and upgrades. Excluded from the municipal bond market and other traditional forms of municipal financing, mobile home parks rely on grants and loans that require administrative expertise and debt service, resulting in lot rent increases that jeopardize affordability.

Mobile home residents seek the same sense of ownership, safety, and privacy as residents of traditional, site-built single-family residences. The mobile home sector extends these traditional benefits of homeownership to Vermonters of all income levels. In many mobile home parks across the state, mobile home residents take on active roles in managing the communities in which they live. If mobile homes and mobile home parks are to continue to offer these benefits to Vermonters seeking an affordable housing alternative, the State must continue and enhance its support of this vital housing sector.

The Task Force explored the world of Vermont's mobile homes, mobile home parks, and their residents. This report is meant to increase understanding of Vermont's mobile home housing sector. It sets out recommendations designed to increase the viability of mobile homes and mobile home parks as an affordable housing option for all Vermonters.

Section I examines mobile homes through the lenses of four important issues: affordability, labor, climate change, and Environmental Justice. Section II sets out the Task Force's findings and recommendations for each of the Task Force's six statutory charges. Section III explores barriers to mobile home ownership and mobile home park sustainability that do not fit within the statutory charges and provides recommendations for overcoming these additional challenges.

# **Section I: A Fresh Look at Mobile Homes and Mobile Home Parks in Vermont**

## **Introduction**

Mobile homes have long been recognized as an affordable option for single-family housing, particularly in Vermont, where a long-term housing shortage has excluded residents from the market for traditional, site-built homes. In recent years, the mobile home housing sector has received increased attention as Vermont has struggled to address three other major challenges complicating efforts to remedy the housing shortage: (1) the shortage of skilled construction labor required to build, renovate, and repair houses; (2) climate change, which has been drawn into sharper focus during the recent spate of flooding events and (3) Environmental Justice. As this report shows, mobile homes rest at the nexus of these four challenges: housing, labor, climate change, and Environmental Justice. It is time for policy makers to take a fresh look at this important sector of Vermont’s housing stock.

*What is a mobile home?*

This report, as well as Vermont statutes, uses the term “mobile home” as it is commonly understood: a home, permanently on a chassis and conforming to the HUD definition of a manufactured home. Specifically, under 10 V.S.A. § 6201(1), “mobile home” means:

(A) a structure or type of manufactured home, including the plumbing, heating, air-conditioning, and electrical systems contained in the structure, that is:

- (i) built on a permanent chassis;
- (ii) designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities;
- (iii) transportable in one or more sections; and
- (iv)(I) at least eight feet wide, 40 feet long, or when erected has at least 320 square feet; or

(II) if the structure was constructed prior to June 15, 1976, at least eight feet wide or 32 feet long; or

(B) any structure that meets all the requirements of [(A)] except the size requirements, and for which the manufacturer voluntarily files a certification required by the U.S. Department of Housing and Urban Development and complies with the construction and safety standards established under Title 42 of the U.S. Code.

There is often confusion between related terms: mobile home, manufactured home, modular home, panelized home, tiny home, RV, camper, etc. The differences between these terms are clarified in Section II—*Charge 4: Modern Construction*.



### *What is a mobile home park?*

Under 10 V.S.A. § 6201(2), “mobile home park” means “any parcel of land under single or common ownership or control that contains, or is designed, laid out, or adapted to accommodate, more than two mobile homes.” DHCD employs the State definition of “mobile home park” when considering parks for entry in their registry of mobile home parks. Because certain funding opportunities hinge on listing in the registry, the definition of “mobile home park,” and subsequent inclusion in the registry, matters for mobile home residents. As the housing industry continues to experiment with various structures and building techniques (modular homes, tiny houses, etc.) and interest in mobile homes increases, serious consideration should be given to this definition to ensure that communities of mobile homes are not unintentionally or arbitrarily excluded from aid.

### **Affordability**

Affordability has only increased in importance as the real estate market, nationally, and in Vermont, continues to put homeownership out of reach for a growing number of prospective buyers. Mobile homes offer a lower-cost path to home ownership than do traditional site-built homes. At times, however, that affordability has come at the cost of quality and equity appreciation. In many cases, what was

**“If you told me ten years ago that I would be living in a mobile home, I would have said you were crazy. But now? I love it.”**

Mike Cook – Williston Woods, Williston, Vermont

affordable to buy became a financial burden to maintain. The transfer of park ownership to a mission-driven non-profit owner or to a cooperative of park residents is a key tool utilized in the state to preserve the affordability of mobile home parks.

Mobile home residents who would like to transition to site-built homes or replace their current model may find it hard to do so. The current interest rate environment makes it unattractive for residents of any housing type to give up the relatively lower mortgage rates they may have received when purchasing their current home. Additionally, residents living in models that are either energy inefficient or require significant maintenance and update costs may be unable to set aside funds for a future home purchase. This puts pressure on a tight housing market, increasing the importance of affordable housing alternatives.

However, as this report details at Section II—*Charge 4: Modern Construction*, much has changed over the past twenty years. The mobile homes housing sector now leverages new building materials, recent energy efficiency science, and construction technology in developing mobile models that may soon rival their site-built, modular, and panelized equivalents in energy efficiency and durability, at a lower cost to the consumer.

### **Labor**

Affordability is not the only reason mobile homes and other factory-built alternatives are receiving increased attention from policy makers. The Vermont Department of Labor projects a shortage of 446 carpenters and 326 construction laborers each year through 2030.<sup>1</sup> As Vermont

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<sup>1</sup> Vermont – *Declining and High Demand Occupations 2022* (<http://www.vtلمي.info/decliningandhighdemandocc.pdf>)

policy makers search for the funding to build more housing, there remains a shortage of those who will do the work of carrying out that policy. Building, renovating, weatherizing, and maintaining housing requires on-site workers throughout the state.

Factory-built housing provides a means to achieve the goal of increasing housing while maximizing labor efficiency. For example, the Titan Homes factory employs 75 to 100 workers on the factory’s assembly line for mobile home production. In a normal year, these workers produce approximately 800 homes, with the potential to reach production figures as high as 1,300 mobile homes in a year.<sup>2</sup> It takes approximately seven days to produce a single mobile home.

**“You can’t understate the amount of time that is wasted in transit to job sites in remote areas for both people and materials.”**  
Thatcher Butcher – KBS Homes , South Paris, Maine

There are many factors that contribute to the labor efficiency of factory-built homes:

- Workers are in a climate-controlled environment.
- Workers receive systematic training and oversight.
- Workers can concentrate their efforts within their specialization.
- Production is structured to permit workers to proceed independently of one another. The roof, walls, and floor can be built simultaneously.
- Partially constructed floors can be raised to enable easy access by plumbers, electricians, and those that finish underside work.
- Professional management techniques encouraging retention, such as career ladders and performance incentives, are more easily implemented.
- Centralized workplaces reduce the contingencies of inclement weather, road conditions, and commute times relative to job-site travel.

**“For the first time in twenty years, I feel like we can provide a durable, affordable, and net-zero energy home that is HUD certified and factory-built.”**  
Peter Schneider Principal Engineering Consultant – Efficiency Vermont

## Climate Change

Mobile homes and factory-built homes are also answering the challenge of reducing Vermont’s greenhouse gas emissions. Updated HUD energy standards will soon be implemented for new mobile homes. Though these standards are not as strict as Vermont’s state-wide energy code for residential housing, they are a significant step forward. Mobile home manufacturers, responding to federal tax incentives, are producing ENERGY STAR mobile homes that exceed HUD minimum standards.

**“This year we have had four 10-year storm events and one 20-year storm event.”**  
Brian Bannon - CFM Floodplain Manager, Zoning Administrator for Brattleboro, VT.

<sup>2</sup> Email exchange with the head of sales at Titan Homes provided by Peter Schneider of Efficiency Vermont.

Efficiency Vermont has developed designs and standards that conform with the DOE Zero Energy Ready Home Manufactured Homes National Program. They are working with manufacturers to have these homes mass produced and made available to Vermonters at an affordable price.

The factory-built construction approach itself has energy efficiencies:

- Building material and appliances can be bought in bulk and stored out of the weather.
- Material waste is minimized. One factory heats its cement floor with scrap wood from the assembly line.
- Transportation of workers and supplies is minimized and consistent.
- Mobile home parks can be built more quickly and efficiently than traditional site-built, single-family home subdivisions, reducing the amount of time construction sites are exposed to weather that may result in runoff and deterioration. Mobile homes are built off-site while development infrastructure is readied.

## **Environmental Justice**

Both Vermont law and a basic sense of fairness require that issues of affordability and climate be viewed and acted upon with the implementation of Environmental Justice principles.

Act 154 of 2022 clearly states Vermont environmental justice policy.

It is the policy of the State of Vermont that no segment of the population of the State should, because of its racial, cultural, or economic makeup, bear a disproportionate share of environmental burdens or be denied an equitable share of environmental benefits. It is further the policy of the State of Vermont to provide the opportunity for the meaningful participation of all individuals, with particular attention to environmental justice focus populations, in the development, implementation, or enforcement of any law, regulation, or policy.

As this report makes clear, the State's mobile home park populations, like those in most affordable housing neighborhoods, is disproportionately skewed toward low- and middle-income Vermonters. Health and safety issues are exacerbated by the poor quality of some early mobile home models and the inability of economically disadvantaged residents to afford needed maintenance and repair. Research carried out by CVOEO and UVM in 2019 found that 40% of Vermont's mobile homes were in flood hazard areas. Vermont's recent flooding events have brought this fact into sharp focus. Specific recommendations to address Environmental Justice as it related to mobile homes are presented in Section III of this report.

## **Conclusion**

Mobile homes are an important part of any initiative to provide affordable housing responsive to the challenges of climate change, a tight labor market and Environmental Justice. Modern advancements in building technology, materials, and training mean that prospective home purchasers can access affordable housing without sacrificing quality, efficiency, or equity appreciation. The Task Force stresses that policy makers should take a fresh look at mobile homes and ensure that the mobile home housing sector is part of any efforts to target Vermont's housing crisis.

## **Section II: The Charges to the Mobile Home Task Force**

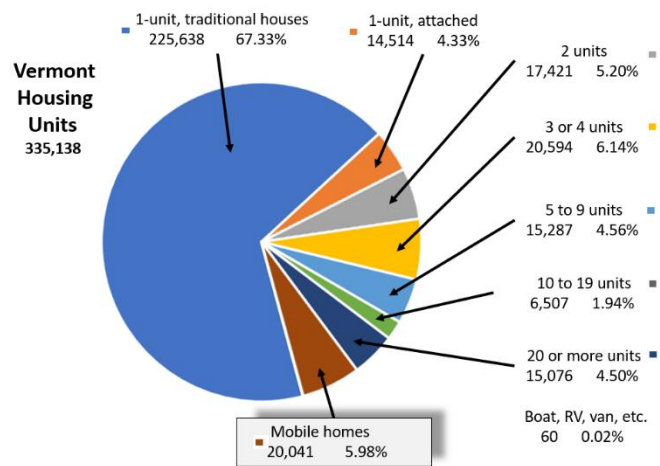
Under Sec. 32 of the 2023 Acts and Resolves No. 47, the Task Force is charged with examining the six issues set out in Statutory Charge. This section details the findings and recommendations for those charges.

### **Charge 1: Status of Mobile Homes**

#### **The status of mobile homes and mobile home parks within Vermont’s housing portfolio**

*How many mobile homes are in Vermont?*

Vermont’s 2022 grand list contains 20,485 items categorized as mobile homes. Of these, 10,691, or just over one-half, are located on land owned by a mobile home owner, and 9,794, or just under one-half, are located on land leased by a mobile home owner. This is consistent with numbers from other Vermont sources, which state that approximately six percent of Vermont’s housing units are mobile homes.<sup>3</sup> The 2022 U.S. Census Bureau’s American Community Survey (ACS), which relies on estimation, states that of the 335,138 total housing units in Vermont, 20,041 housing units, or approximately 5.98% of Vermont’s total housing stock, are mobile homes.<sup>4</sup>



Source: 2022 American Community Survey 5-Year Estimates Data Profile, Table DP04

*How many mobile home parks are in Vermont?*

DHCD maintains a registry of mobile home parks in Vermont (the Registry) detailing information that mobile home park owners are required by statute to provide on an annual basis, including the names and addresses of owners, the location of mobile home parks, dates of establishment, lot totals and occupancy rates, and lot rents. DHCD was previously required by law to report the statistics and findings underlying the Registry to certain legislative committees every three years; though that report is no longer required by law, DHCD has continued to provide it as an aid to the legislature and other interested parties.<sup>5</sup>

As of December 6, 2023, the Registry reports 238 registered mobile home parks in the State.<sup>6</sup> These mobile home parks together contain 7,104 lots and 6,661 mobile homes. Of these lots, 327 are reported as vacant and available for a mobile home owner to site a mobile home, for a

<sup>3</sup> DHCD 2022 Vermont Registry and Mobile Home Parks Report and 2020 Vermont Housing Needs Assessment

<sup>4</sup> 2022 ACS 5-Year Estimates Data Profile table DP04 (<https://data.census.gov/table?q=DP04&g=040XX00US50>).

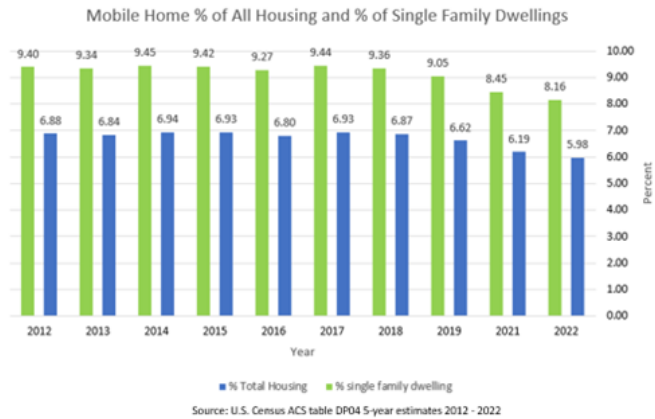
<sup>5</sup> The database and its reports can be found at <https://accd.vermont.gov/housing/mobile-home-parks/registry>.

<sup>6</sup> DHCD Registry data for 2023.

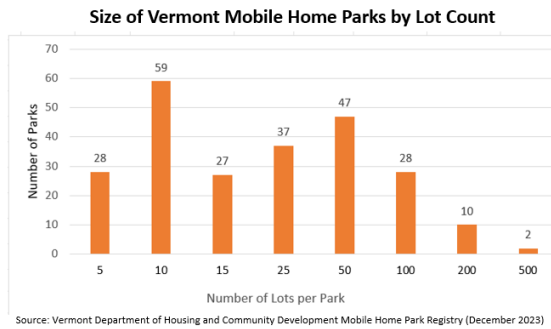
vacancy rate of approximately 4.60%. Assuming each lot contains a single mobile home, mobile home parks account for approximately one-third of the total number of mobile homes in Vermont.

### Mobile Home Sector Trend

The chart to the right shows the change in the composition of Vermont’s single-family (green) and overall (blue) housing stock that is accounted for by mobile homes over the decade ending 2022. The mobile home sector appears to be trending smaller both as a proportion of single-family housing and as a proportion of all housing stock in Vermont.



### Vermont’s Mobile Home Parks



Compared to much of the United States, Vermont’s mobile home parks are small. Those providing testimony to the Task Force consider a “small park” one that contain 25 or fewer lots. The relatively small size of Vermont’s mobile home parks may be one of the reasons that large corporations and investors have not shown greater interest in purchasing or investing in the State’s mobile home parks. Some mobile home parks in Florida, Texas, and California have lot counts between one and two

thousand. The chart above shows the size of Vermont’s mobile home parks in terms of lot count. There are only two parks with a lot count between 200 and 500.

### Smaller Mobile Home Parks

The Task Force heard testimony from several witnesses who expressed concern for the survival of Vermont’s smaller mobile home parks. The issues faced by smaller mobile home parks are discussed under *Charge 2: Conditions and Needs*.

### Who owns Vermont’s Mobile Home Parks?

Vermont’s mobile home parks are owned by sole proprietors, for-profit entities, non-profit entities, and cooperatives. Many of the smaller parks are owned by single individuals or families that have set up limited liability corporations. The chart shows the entities that own parks with over 200 lots.

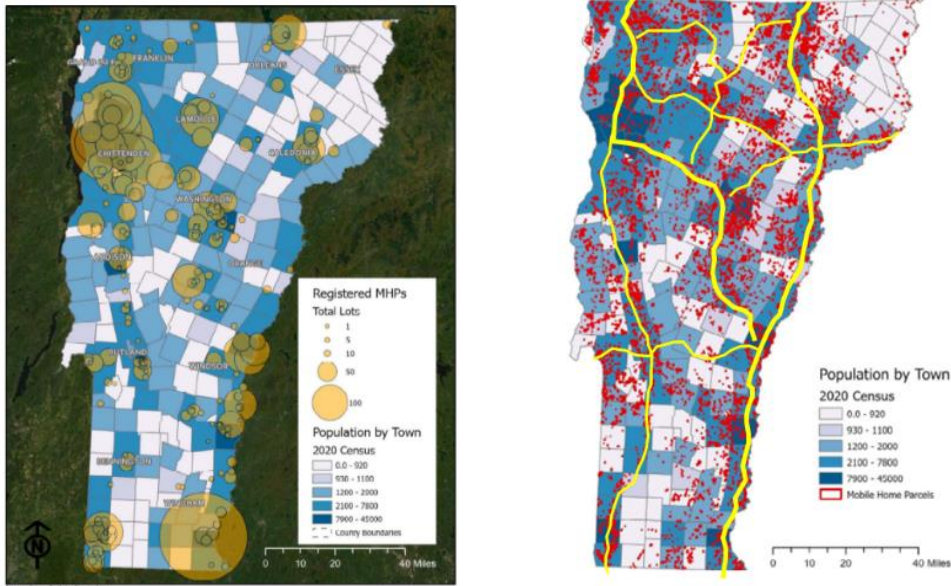
Ownership Status	Owner Organization	Parks	Lots
Non-profit	VT State Housing Authority	18	1006
Cooperative	CDI Development Fund, Inc.	3	359
Non-profit	ACCT Mobile Home Parks LLC	9	340
Cooperative	Tri-Park Cooperative Housing Corp.	3	312
Cooperative	Westbury Homeowners Association, Inc.	1	250

Under 10 V.S.A. § 6242, a mobile home park owner is required to give mobile home owners (1) notice of the owner’s intention to sell the park and (2) a chance to purchase the park. Perhaps for

this reason, cooperatives own mobile home parks across the state accounting for nearly 3,000 lots.

*Where are Vermont's mobile home parks located?*

A recent study commissioned by the Vermont Agency of Transportation (VTrans) details the history of mobile homes and mobile home park development in Vermont.<sup>7</sup> Many factors determined their location. The two charts below, taken from another study by VTrans, provide some insight.<sup>8</sup> A yellow overlay of major roads has been added to provide context.



The chart on the left, using data from the DHCD Registry, shows the location of registered parks, with bubbles scaled to the number of lots in each park. The chart on the right uses Statewide Standardized Parcel Data to show the location of individual mobile homes. An overlay of major highways has been added.

*Proximity to public transportation*

Access to highways and public transportation is important when considering the challenges mentioned in the introduction to this report: affordability, labor, climate change, and Environmental Justice. The VTrans report<sup>9</sup> states:

In fact, 90 percent of registered parks are located within one mile of a main transportation corridor, and 80 percent are within one-half mile. In looking at individual parcel data, approximately 74 percent of all landed and unlanded mobile homes are also located within one-half mile of a main transportation corridor. Those that are further from one of

<sup>7</sup> Vermont Mobile Homes and Mobile Home Parks and Subdivisions, 1929-1976 Multiple Property Documentation Form. Vermont Agency of Transportation 2023

<sup>8</sup> Vermont Mobile Homes and Parks Multiple Property Documentation Form Reconnaissance Study. Vermont Agency of Transportation 2021

<sup>9</sup> Supra note 7

these main corridors are well-distributed throughout the state and no regional trends were discernable in this respect.

Only 12 parks are located more than two miles from a main transportation corridor, and none are more than five miles away. Just over 2,000 mobile home parcels are located more than two miles from a highway, and only 61 parcels statewide are located more than five miles from a main highway.

Though mobile home parks are frequently close to highways, they may not be located close to town and city centers with access to public transportation. This burden may fall more heavily on lower-income Vermonters, who make up a sizeable portion of Vermont’s mobile home residents. Park proximity to transportation corridors provides a concentrated labor pool, the efficient use of which can reduce the impact of Vermont’s transportation sector on climate change.

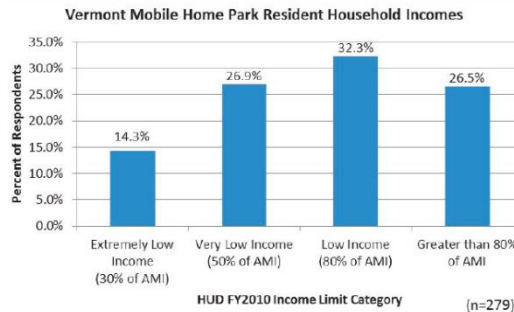
### Mobile Home Residents


In 2011, the UVM Department of Community Development and Applied Economics and the CVOEO Mobile Home Program formed a research collaborative to investigate disaster vulnerability of Vermont’s mobile home parks. The collaborative conducted a statewide survey of mobile home park residents. 282 households in 127 parks responded. The results are published in fact sheets for emergency planners, portions of which are shown to the right and below.<sup>10</sup>


#### *Income of Mobile Home Park Residents*


The Cooperative Development Institute (CDI) assists parks with the transition to cooperatives. As part of that process CDI performed an income survey of 15 parks. An average of 60% of the residents were below 50% of AMI, 84% below 80% of AMI. Those parks, with 1,269 total lots, are a subset of all Vermont’s parks. They are also unique in that they were in the process of becoming cooperatives.

Those troubling Vermont statistics confirm national statistics. A 2014 report by the Consumer Financial Protection Bureau (funded by the Federal Reserve) referencing 2008-2012 ACS data, summed up its national




The University of Vermont





**RESIDENT DEMOGRAPHICS:**

Average residency in park:  
11 years

Median household size:  
2.36 persons

26% of households have at least one child under 18  
Compared to:  
30% statewide in Vermont<sup>2</sup>

37% of households had at least one person over 65  
Compared to:  
24% statewide in Vermont<sup>2</sup>

41% of households reported a person with a health condition or disability that would be a concern in an emergency situation

**EMPLOYMENT**

64% of households had at least one person employed

32% of households had at least one retired senior

**INCOME**

Median income reported by mobile home park residents: \$30,000

State Median Income<sup>2</sup>: \$51,841

<sup>10</sup> Baker, Hamshaw, & Woodward. (2012). Vermont Mobile Home Parks: Information for Emergency Planners [Fact Sheet]. University of Vermont: Burlington, VT. and Baker, Hamshaw, & Woodward. (2012). Vermont Mobile Home Parks: Resident Demographics [Fact Sheet]. University of Vermont: Burlington, VT.

research into a comparison of residents in site-built homes with those in mobile homes with the following:

Certain consumer segments are disproportionately represented among owners and renters of manufactured homes, in particular older consumers, consumers that have completed only high school, households with relatively low income, and households with relatively low net worth. . . “[A]mong owner-occupant households, the heads of households that lived in manufactured housing are a bit more likely to be younger than 30 or older than 70 than are site-built owner-occupant household heads. The median age of a head-of-household owner of a manufactured home is 53 years, identical to the median owner-occupant head-of-household for all home types. . . . Nearly one-fifth of households that live in manufactured homes have an older (55 or older) single head of household with no children in the home, compared with less than 15 percent of households that live in site-built homes. A greater proportion of households that live in manufactured housing are headed by a retiree (32 percent) than site-built households (24 percent).

The numbers for people with disabilities in mobile home parks (44%) is particularly striking. Citing ACS data from their 2013-2017 table S1810 the ACCD Vermont Housing Needs Assessment<sup>11</sup> stated that 22% of adult Vermonters report having a disability.

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<sup>11</sup> [https://outside.vermont.gov/agency/ACCD/ACCD\\_Web\\_Docs/Housing/Housing-Needs-Assessment/HNA-Fact-Sheet-9-Special-Households.pdf](https://outside.vermont.gov/agency/ACCD/ACCD_Web_Docs/Housing/Housing-Needs-Assessment/HNA-Fact-Sheet-9-Special-Households.pdf)



## Charge 2: Conditions and Needs of Mobile Homes and Parks

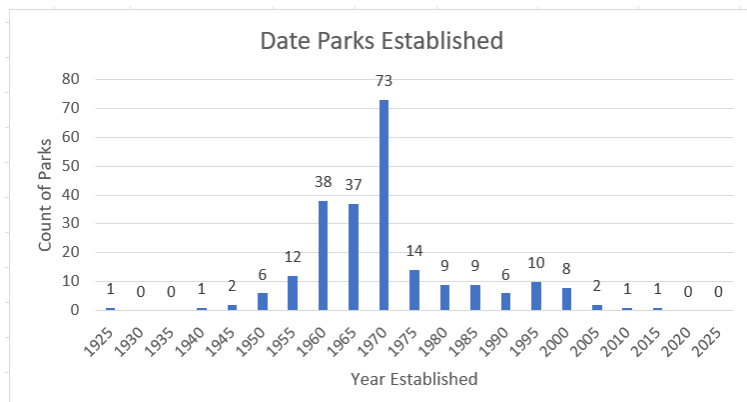
### The condition and needs for mobile home park infrastructure among parks of various sizes;

#### The Condition of Vermont's Mobile Home Parks

The condition of Vermont's mobile home park infrastructure is not good. The needs are great. The data is lacking. Unlike other affordable housing in Vermont's cities and towns, mobile home parks are often responsible for their own drinking water, wastewater, electric, or transportation infrastructure. Unlike municipalities that can raise funds through property taxes or municipal bonds to support infrastructure projects, mobile home parks must rely on construction loans, grants, and some state resources. Mobile home parks often lack the administrative resources necessary to develop, finance and monitor costly infrastructure projects.

#### *The Age of Vermont's Mobile Home Parks*

Mobile home parks, the homes within them, and the infrastructure that supports them, is aging. About 75% of the State's parks were established before 1975. before the Clean Water Act which governs water and wastewater infrastructure commonly found in such parks.



The significant drop in park construction in the five years after 1970 was the result of many factors. The passage of the Mobile Home Park act (10 V.S.A Chapter 153) of 1970 was one. The law required proposed new park designs be reviewed by the Agency of Natural Resources. A VTrans report describes the effect;

Although the passage of the Mobile Home Park Act in 1970 required development permits to be issued by the ANR, it did not apply to preexisting parks, and enabled owners of existing parks to expand without any agency review. This information helps to understand the sharp drop in new park establishment after 1970, as the state review process made this more time-consuming for developers and may have instead promoted enlargement of existing parks.<sup>12</sup>

Just under 5,000 of the total 7,000 mobile home lots in the Registry are in parks that were established before 1970. The Task Force was unable to find specific information on the condition of the infrastructure supporting those 5,000 homes. That deficiency is mentioned under *Charge 5: Type and Scope of Data*.

<sup>12</sup> Supra Note 8

CVOEO and UVM have developed a Risk Assessment Tool (Tool), as a series of spreadsheets, for mobile home parks.<sup>13</sup> The data in the Tool includes infrastructure characteristics of the mobile home parks listed in the DHCD Registry. The following data is from the Tool.<sup>14</sup>

*Drinking Water*

A mobile home park that is not on a municipal drinking water system is responsible for its own water system maintenance. The chart shows that more than half of

Water System Type	Parks	% Parks	Lots	% Lots
Unknown	12	5.06	125	1.76
Community	45	18.99	2065	29.08
Consecutive Community	30	12.66	1868	26.31
Municipal	103	43.46	2686	37.83
NTNC	1	0.42	7	0.10
Small-Scale (potable, <25 users)	46	19.41	350	4.93
<b>Total</b>	<b>237</b>		<b>7101</b>	

the mobile home parks in Vermont are not on a municipal water system. “Consecutive Community” systems tie into a municipal system with the park responsible for distribution to and billing of individual lots. Treatment facilities would not be needed in those parks.

*Wastewater*

The treatment and/or disposal of wastewater is another infrastructure expense born by many mobile home parks. Depending on location, a variety of options for wastewater are utilized:

Wstewater	Parks	% Parks	Lots	% Lots
Unknown	30	12.66	737	10.38
Community On-Site	50	21.10	1859	26.18
Individual On-Site	18	7.59	523	7.37
Municipal	95	40.08	2925	41.19
Municipal/On-site	1	0.42	18	0.25
On-Site	43	18.14	1039	14.63
	<b>237</b>		<b>7101</b>	

- "Individual On-Site" is a MHP where each lot has an individual on-site wastewater disposal system.
- "Community On-Site" is a MHP where lots are connected to one or more shared on-site wastewater disposal systems within the MHP. Community On-Site systems may be either small community systems permitted through the Regional Office program or large systems that are permitted through the Indirect Discharge program.
- "On-Site" refers to either "Individual On-Site" or "Community On-Site." Information on the type of on-site disposal system was not available at the time of study.
- "Municipal/On-Site" refers to a MHP that has a portion of the lots in the MHP connected to a municipal wastewater system and a portion of the lots served by on-site disposal within the MHP.

Nearly 60% of the parks are not fully connected to a municipal wastewater system, in which case, the park itself is responsible for the considerable cost of wastewater maintenance and upgrades required by law.

<sup>13</sup> The Tool can be found on the DHCD website at <https://accd.vermont.gov/housing/mobile-home-parks/registry>.

<sup>14</sup> There may be small differences in lot counts because, at this time, the RT has not been updated with 2023 Registry data.

### *Assistance with Drinking Water Infrastructure*

The following is from Bruce King, Supervisor, Infrastructure Sustainability Vermont Agency of Natural Resources, Department of Environmental Conservation Drinking Water and Groundwater Protection Division, Public Drinking Water Program. The DEC uses “MHC” to abbreviate Mobile Home Community instead of the term Mobile Home Park.

The federal Lead & Copper Rule Revisions require all community water systems to complete a service line inventory by October 16, 2024. The inventories list each customer service address in the system and the material composition (lead, non-lead, unknown) of the pipe delivering water to the home. Approximately 60 MHCs in Vermont operate a community water system and may receive support from the Drinking Water & Groundwater Protection Division to complete their inventories. If the inventory includes lead or unknown lines, then a Lead Service Line Replacement Plan is also developed with strategies to identify unknown materials and replace lead lines.

Currently, 42 systems have completed their inventories or are actively being supported by a DWGPD-managed contractor. Four additional systems have applied for contracted support and will be prioritized for assignments this Spring. This project utilizes Drinking Water State Revolving Fund (DWSRF) Lead Service Line Replacement Funding provided by the Bipartisan Infrastructure Law. Support to MHCs for this project is estimated to be valued at \$1.3M.

### *Stormwater*

Mobile home parks are particularly susceptible to storm water issues as the roadway infrastructure may not be up to the standards mandated for municipalities. 3-acre permitting regulations have brought this to the fore and challenges parks to obtain the finances needed to address the issue.

Padraic Monks of DEC adds the following regarding 3-acre permit mitigation:

There are approximately 16 manufactured housing communities (MHCs) that have been identified as 3-acre sites. That number is subject to revision as additional site-specific information is obtained. Of those, nine are participating in the Agency's engineering /permit obtainment contract. This contract provides the MHCs direct engineering services related to design and 3-acre permitting -the Agency has hired an engineering firm to provide these services as no cost to the MHCs. The remaining 3-acre sites will be eligible to participate in our forthcoming permit obtainment assistance program that will provide reimbursement of up to \$49,900 in 3-acre design and permitting costs.

### *Electric Service:*

The electrical service provided to parks and individual homes is increasing in importance as Vermont seeks to reduce the State's dependence on fossil fuel. Utilities are responsible for delivering power to the park, and park owners are responsible for maintenance and capital upgrades of feeder wires and meter packs within the park. Sixty-amp hookups are no longer large

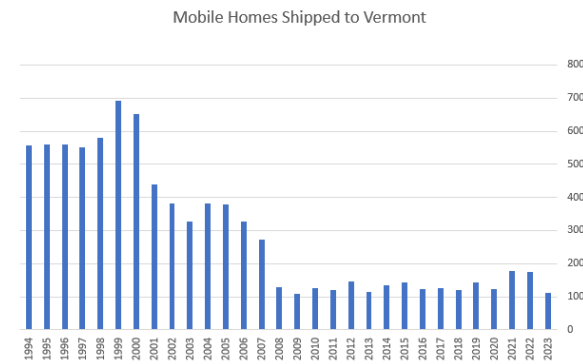
enough to adequately service a modern mobile home. Parks receiving new mobile homes with heat pumps, and solar panels require more than the common 100-amp service. Many mobile home parks will need to upgrade to 200-amp service in order to adequately accommodate modern mobile homes. In some cases, this may mean more than changing the service at the individual lot. Westbury Homeowners Association, a large mobile home park in Colchester, is currently in the midst of a \$2.75 million dollar project replacing transformers and service to the entire 250 lot park. The Milton Mobile Home Cooperative is also replacing all feeder wires and service to its 100 residents in 2024. The Tool and the Ryan Report do not assess this infrastructure need.

## The Condition of Vermont’s Mobile Homes

### *The age of Vermont’s Mobile Homes*

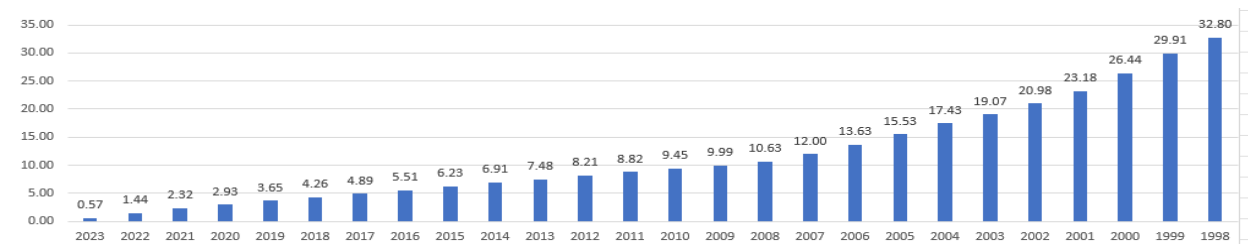
Determining the age of Vermont’s mobile homes is not as simple as determining the age of parks in which they are located. The Registry does not include information on each home within the parks. Like every car, every mobile home has a make, model and date built. Vermont’s grand list of properties identifies mobile homes and occasionally notes that information in a property description field. But following that practice depends on the town and who assesses the property. This data deficiency, and others, are described under *Charge 5: The type and scope of data.*

However, some idea of the overall age of Vermont’s mobile homes can be obtained indirectly. There are about 20,000 mobile homes in Vermont. The chart to the right uses federal data on shipments of mobile homes.<sup>15</sup> It shows the number of mobile homes shipped to Vermont since 1994.



The data does not indicate if new mobile homes replaced older homes, but they do indicate that since 2000, 4,635 new homes have arrived in Vermont. That’s 23.18% of the current mobile home stock.

Assuming that no homes shipped after 1998 were being replaced by new homes, the following chart shows the percentage of the estimated 20,000 mobile homes in Vermont that arrived since each indicated year.



<sup>15</sup> Source: US Census Bureau Building Permit Survey at <https://www.census.gov/construction/bps/index.html>

### Smaller Mobile Home Parks

Of the 171 parks that are for-profit enterprises, about 125 parks with a total of 700 lots appear to be owned by individuals or families. The chart to the right shows their distribution by number of lots.

# of Lots	Parks
5	26
10	51
15	21
25	27
	125

Of those 125 lots, 63 have either a drinking water or wastewater connection to a municipality. The other 62, of which 11 have more than 15 lots, are on their own.

Infrastructure costs are not the only reason the owners of a small park may decide to sell. Some are owned by ageing parents whose children are not interested in the business. Some may have become unprofitable because too many lots have gone vacant. Several lot vacancies in a 10-lot park causes a sizable portion of revenue loss. It is telling that both ROC-USA and CDI are rarely interested in taking over parks with fewer than 20 lots. The Task Force was not able to find hard data on what causes park failures.

### State and Federal Assistance with Infrastructure

Vermont has allocated significant resources to assist mobile home owners and mobile home parks. But the remaining need is great. The Task Force was not able to quantify the cost of remediating that need.

APPROPRIATIONS FOR MANUFACTURED HOMES - FY 2022 and FY 2023		ARPA	General Fund
Act 74 of '21 Sec. G.700(a)(4)(ii) - FY '22 Budget	DEC -To improve drinking water , waste water etc at mobile home parks	3,250,000	
Act 185 of '22 Sec. G.(a)(4) - FY '23 Budget	DEC - To improve water /wastewater sys at co-op owned or non profit mobile home parks	6,500,000	
Act 3 of '23, Sec. 75 which Amends Act 182 Sec. 3 of of '22 (Act 182 - Expanding Access to Safe and Affordable Housing)	<b>Manufactured Home Improvement and Replacement Program</b>		
	DHCD - Manufactured Home Community Small Scale Capital Grants	2,500,000	
	DHCD - Manufactured Home Repair Grants	750,000	
	DHCD - New Manufactured Home Foundation Grants	750,000	
Act 3 of '23 Sec. B.1100(36)- FY 2023 BAA	VHCB- Emergency Shelter capacity & Homes for Homeless including mixed income rental & home ownership/manufactured home improvements		27,500,000
Act 81 of '23 Sec. 9 (a)(1)	VHCB to VSHA to enhance capacity, availability, & utilization of Manufactured Homes in cooperatively owned parks with available lots		10,000,000
Act 81 of '23 Sec. 9 (a)(2)	VHCB to VSHA for Manufactured Home Improvement & Repair		4,000,000
		<b>4,000,000</b>	<b>41,500,000</b>

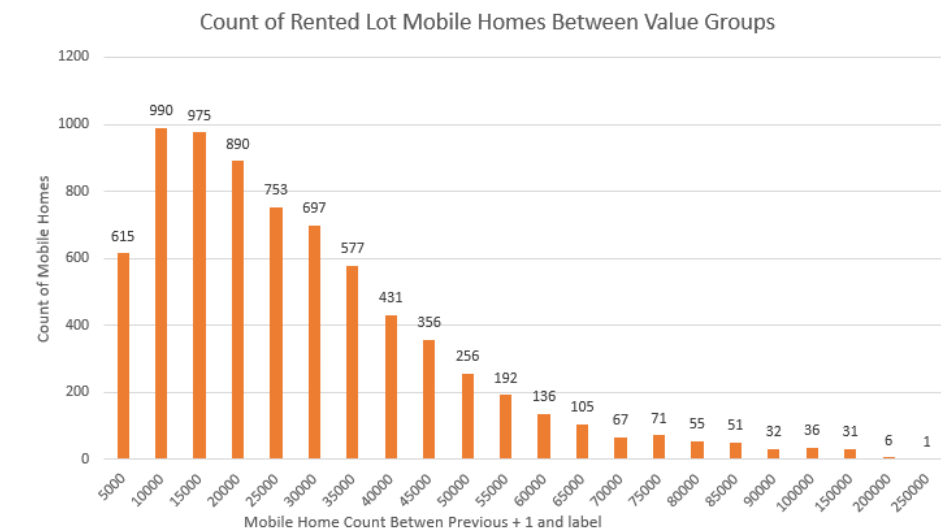
## The Condition of Vermont’s Mobile Homes

“Condition” is a subjective term. However, there are several metrics that can be used to bring focus to the question: What is the condition of Vermont’s mobile homes?

### *The Assessed Value of Mobile Homes on Rented Land*

The assessed value of a mobile homes might be one indicator of its “condition.” That value is contained in Vermont’s Grand List. The chart shows the Grand List value of the 7,323 mobile homes inside and outside of mobile home parks on rented lots.

There are several necessary caveats with using the Grand List value as an indicator of the “quality” or “condition” of a mobile home. How listers and assessors value mobile homes is



one area that needs further study. The process used varies from town to town and on how well trained the assessor is. The mobile home’s bill of sale indicates its cost at purchase. Assessors and listers can use that value and apply depreciation schedules. The amount depreciated may also be adjusted by a percentage depending on the observed condition of the home: -5 for excellent condition down to +5 for poor condition.<sup>16</sup> However, that practice may be called into question as it is still an open question as to whether the modern mobile home depreciates or appreciates over time. Grand list home values are also usually adjusted by the town’s Common Level of Appraisal (CLA) to obtain a more accurate fair market value, but should the CLA be applied when the mobile home is not on owned land? The data in the above chart is not adjusted by the CLA.

The 2019 Ryan Report prepared by VHC&B and John Ryan of Development Cycles<sup>17</sup> used the assessed value of homes in mobile home parks as a “quality indicator.” At that time the report used an assessed value of \$10,000 as a proxy for “poor quality.” Using that same threshold with the chart above, there are about 1,600 mobile homes on rented land in Vermont that are of “poor quality” and could well be posing health and safety risks for their owners. Another 1,000 are added if a \$15,000 threshold is used nearly 15 years after the report. That totals to 25% of the 9,700 mobile homes on rented land in Vermont.

<sup>16</sup> Email exchange with Colchester town assessor.

<sup>17</sup> *Sustainability Assessment of Affordable Mobile Home Parks in Vermont* (2019) VHC&B and John Ryan, Principal – Development Cycles, East Montpelier, VT

*The Assessed Value of Mobile Homes on Owned Land*

The assessed value of mobile homes on owned land cannot be ascertained from the Grand List as it does not reliably and consistently distinguish the value of the land from the value of the home and from improvements on the property. Assuming that the 25% figure just mentioned also holds for homes on owned land would not be warranted.

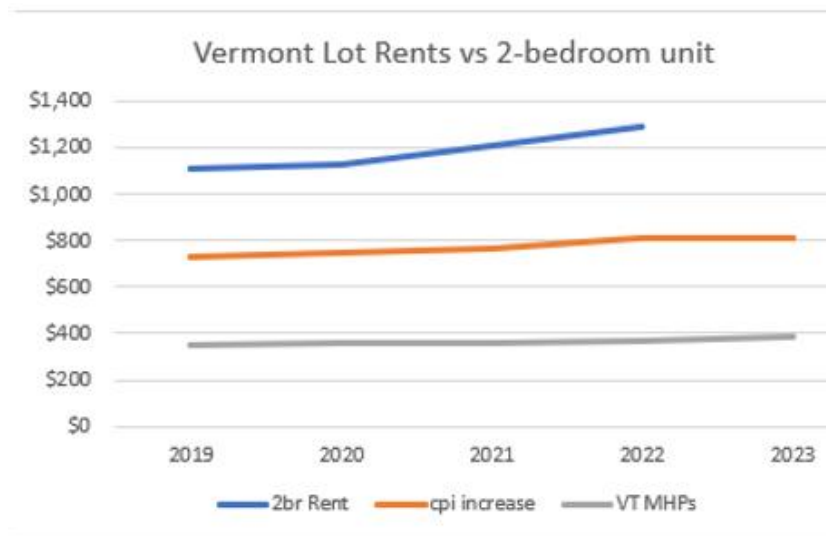
*The Cost of Renting a Mobile Home Lot*

DHCD’s Registry data includes rent charges for each park. There is no information on mobile home rentals and lot rentals outside of the parks. Lot rents within the parks currently range from \$125/month at a 6-lot park in Springfield to \$590/month at a 151-lot park in Richmond. DHCD’s 2023 summary report contains the following chart.

STATEWIDE DATA; PARKS, MOBILE HOME LOTS, VACANCY, MEDIAN LOT RENT

	2019	2020	2021	2022	2023
<b>Parks</b>	238	239	236	238	238
<b>No. of Lots</b>	7,096	7,096	7,080	7,094	7,104
<b>Vacant Lots</b>	371	354	343	328	327
<b>Vacancy Rate</b>	5.2%	5.0%	4.8%	4.6%	4.6%
<b>Median Lot Rent</b>	\$347	\$355	\$360	\$370	\$390

Mobile home lot rents have not increased at nearly the rate of other housing sectors in Vermont. The chart to the right shows the statewide rent of 2-bedroom unit (blue), the national CPI for rent of primary residence (green), and the median rent for Vermont’s Mobile home parks (grey).



Source: U.S. Census ACS table D25031 5-year estimates  
DHCD Registry Data

Mobile home lot rents have not gone up as rapidly as other rents for several reasons. Though mobile home lot rent increases are not capped, they are reported to DHCD, monitored, and may be subject to mediation. If a park’s rent increase is more than 1% above the U.S. Consumer Price Index for all Urban Consumers, Housing Component, the park residents have legal recourse to mediation paid for by DHCD through the park registration fee.<sup>18</sup> If no agreement is reached during mediation the increase goes into effect, but leaseholders may file a civil action of a “clearly excessive” increase.

<sup>18</sup> The process for contesting a lot rent increase is put forth in 10 V.S.A § 6252.

DCI reported to the Task Force that lot rents in cooperative mobile home parks seem to go up at a lower rate than other parks.<sup>19</sup> This may be because leadership, more attune to the park's workings, can find ways to cut costs. It may also be because cooperative leadership is reluctant to raise rents on their fellow residents. That reluctance may also be the reason cooperatives are less likely to set aside reserves for capital improvements. These issues were not fully investigated by the Task Force, and could use attention.

## **New Mobile Home Parks**

Very few mobile home parks have been established within the last decade, yet the vision of a modern community of highly energy-efficient affordable homes remains. The Task Force did not have the time to seriously investigate why new mobile home parks have not been built, but anecdotal evidence points to the cost of land, and a reluctance of municipalities to finance infrastructure extensions. However, CDI has received a \$50,000 grant for a feasibility study of a new mobile home park. The results of that study should be out during the summer of 2024. CDI's grant application states:

CDI proposes conducting a feasibility study of constructing a new resident-owned manufactured community that will investigate these barriers and opportunities and carry out a cost-benefit analysis to test the following hypothesis: That it is possible to build a new resident-owned manufactured housing community that is at least affordable to homebuyers making less than 80% of the area median income.

## **Recommendations**

- Appropriate House and Senate committees should monitor the progress of CDI's feasibility study and review the results.
- The Department of Public Service should require Efficiency Vermont to conduct a resiliency analysis of all mobile home parks, and devote resources to assisting mobile home owners with upgrades to individual homes including 100-amp service and energy efficient heat and water equipment.
- Create a short-term task force of public funding agencies, technical experts, and park residents to identify opportunities to increase simplicity and accessibility of funding that supports park infrastructure improvements.
- Ensure that new proposed programs complement and do not complicate the current funding environment.
- Appropriate House and Senate committees should monitor the progress of CDI's feasibility study and review the results.

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<sup>19</sup> DHCD very recently produced some preliminary data that calls this statement into question.



### **Charge 3: Personal vs Real Property**

#### **The current statutory treatment of mobile homes either as personal or real property**

The treatment of mobile homes as personal or real property under Vermont law depends on two factors: (1) whether the mobile home is affixed to land; and (2) whether the mobile home is financed as real estate.

For taxation purposes, if either condition is met—if a mobile home is affixed to the land or financed as real estate—the mobile home will be treated as real property and the mobile home purchaser will be required to file a property transfer tax return and pay taxes on that basis. If neither condition is met—if a mobile home is not affixed to the land nor financed as real estate—the mobile home will be treated as tangible personal property and the mobile home purchaser will require a bill of sale and must pay sales and use tax.

For financing purposes, the Task Force heard testimony from the Vermont Bankers Association to the effect that, while lenders have some discretion as to how to finance mobile home purchases under statute, lenders generally will finance a mobile home purchase as real estate only if the mobile home is, or is to be, affixed to land that the mobile home purchaser owns.

#### *Whether the mobile home is affixed to the land*

Vermont case law has long recognized that a mobile home may be treated differently depending on whether the home is affixed to the land. As early as 1958, the Supreme Court of Vermont, in a case exploring whether a mobile home should be subject to certain zoning ordinances, framed the problem of legal treatment of mobile homes as follows:

There can be no doubt that while being drawn upon a highway a trailer coach would be personal property as would any other vehicle. . . . Here, however, we have a trailer coach, removed from the highway, situated upon land leased by the trailer's owner, connected to the land by various utilities, used as a home by the owner and his family, and which has not been mobile during such period of use on the land. Does the trailer then . . . undergo such a transmutation as to alter it in character from personalty to realty so as to become a single-family house under the terms of the [zoning ordinance].

*In re Willey*, 140 A.2d 11, 13-14 (Vermont 1958).

Vermont followed New York in adopting the view that a mobile home “affixed to the land” shall be treated as real property, treating the mobile home purchaser’s intention to permanently site the home as determinative. Quoting from New York caselaw, the Supreme Court of Vermont declared:

House trailers when located in a camp, still resting on their wheels, with only temporary utility connections and owned by others than the owners of the land, have been held not taxable as real property. . . . But where they are affixed to the land by means of electric wires, water pipes or wooden supports, and there is

evidence that they are to be left permanently at the location they may be assessed and taxed as part of the real property.

*In re Willey*, 140 A.2d 11, 14 (Vermont 1958) (citing *Corning v. Town of Ontario*, 204 Misc. 38, 1221 N.Y.S.2d 288, 291).

The Vermont Department of Taxes follows this approach and sets out the following non-exhaustive factors as demonstrating that a mobile home is affixed to the land and therefore taxable as real property:

- The mobile home is currently set up on blocks or otherwise stabilized so that the wheels do not form a major part of the structural support.
- The mobile home is currently connected to utilities such as electricity, sewage, water, gas, or oil.
- Skirting has been erected around the base of the mobile home.
- The wheels or tires have been removed.
- The mobile home has been situated in a place which makes its removal unlikely. For example, a mobile home located in a mobile home park and connected to utilities is affixed to the land even if the owner of the mobile home does not own the underlying land.

The Task Force additionally heard testimony from the Vermont Bankers Association as to factors the Association deems demonstrate that a mobile home is affixed to the land. These factors, which align with the Vermont Department of Taxes factors, include:

- The mobile home's wheels, towbar, axels, and hitch have been removed.
- The mobile home is permanently connected to water, wastewater, and electricity.
- The mobile home is permanently anchored to a foundation or a slab.
- The skirting and insulation are in place around the base of the mobile home.

#### *Whether the mobile home is financed as real estate*

Under 9 V.S.A. § 2601(c), “[a] mobile home that was financed as residential real estate shall be defined as residential real estate.” Vermont law mandates that certain mobile homes be financed as residential real estate, while permitting others to be so financed, as set out in 9 V.S.A. § 2603(b) (emphasis added):

(b) A mobile home that is or is intended to be permanently sited for continuous residential occupancy by the owner on land that is:

- (1) Owned by the owner of the mobile home *shall* be financed as residential real estate.
- (2) Leased by the owner of the mobile home *may* be financed as residential real estate.

A mobile home purchased by a resident that is to be sited on the resident's land will be financed as residential real estate and treated as real property. A mobile home purchased by a resident that is to be sited on land leased by the resident may be—but is not required to be—financed as

residential real estate and may be treated as real or personal property depending on whether the mobile home is financed as residential real estate or is affixed to the land.

In the Vermont Bankers Association's testimony to the Task Force, the Association expressed that the following factors support financing a mobile home as residential real estate:

- Acquisition of the mobile home by warranty deed or quitclaim deed..
- If the mobile home is acquired instead through bill of sale, the bill of sale is going to be converted to a warranty deed. A banker would expect to see in any resulting title opinion that the mobile home is going to be converted to residential real estate.
- If the borrower is at closing, the title is to be conveyed by deed, not bill of sale.

The Vermont Bankers Association represented that bankers are looking to two factors when determining how to finance a particular mobile home purchase: (1) permanency of the mobile home on a site; and (2) whether there's an ownership stake in that site. The Association expressed the view that lenders have discretion as to how to finance mobile homes and that lenders will generally finance mobile homes as residential real estate only where the land underlying the mobile home is owned by the mobile home purchaser.

The Vermont Bankers Association also testified that lenders are likely to charge higher interest rates on the financing of mobile homes sited on leased land and that lenders would be likely to drop out of the market were they required to finance the acquisition of mobile homes sited on leased land as residential real estate. The Association expressed support for encouraging cooperatives to acquire mobile home parks to ensure that residents have an ownership stake in the land.

## **Recommendation**

- The House Committee on General & Housing and the Senate Committee on Economic Development, Housing and General Affairs should take testimony from realtors, real estate attorneys, mobile home dealers and buyers to assure that mobile home transfers are well understood with regard to taxes and public records.

## Charge 4: Modern Construction

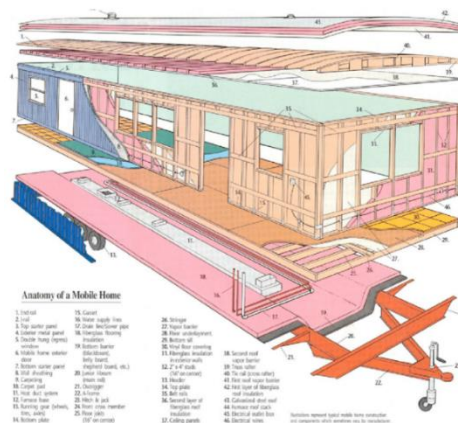
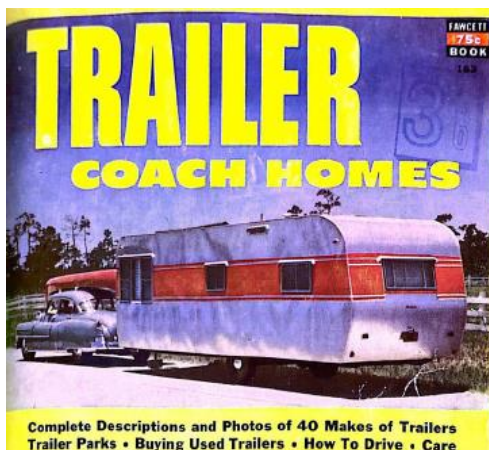
**Modern construction, energy efficiency, and durability of manufactured housing, and the availability, affordability, and suitability of alternative types of manufactured, modular, or other housing;**

### Introduction

In Vermont law (10 V.S.A. § 6201) there is a definition of a mobile home. Anyone in Vermont can build one. If what you build fits that definition, then you have a new mobile home, at least as far as Vermont law is concerned. First, you need a permanent chassis. That is wheels and a frame. On top of that, build a box “at least eight feet wide, 40 feet long, or when erected has at least 320 square feet.” Don’t make it more than 12 feet wide or 13.5 feet tall if you want it to go down the road without a special permit. It must be “designed to be used as a dwelling,” but that is pretty vague. You must include “the plumbing, heating, air-conditioning, and electrical systems contained in the structure.” So, nothing must be added after it’s placed to make it habitable, but how many of those amenities you need is up to you. If it is your own future house, you can do all that electrical and plumbing yourself.

There are several municipalities with building codes you would need to conform to, but for the vast majority of Vermont your paperwork is, most likely, a Building Permit and the Certificate of Occupancy (CO). The CO just closes out the building permit. You would be flouting the law if you ignored the statewide Energy Efficiency Codes, but even the ENERGY STAR mobile homes sold in Vermont today don’t meet those standards and compliance by professional builders is problematic. When completed, you may not be able to place your new home in some mobile home parks because some have restrictions, but on your own land? You’re fine.

Can you sell your new home? Can you rent it out? Can you get insurance on it? Can you get a loan to pay for building it? Can someone else get a loan to buy it? That’s where you run into roadblocks. And that’s why you might consider a “real” mobile home designed and engineered by professionals, built by trained and supervised skilled carpenters, and financed by standard lender loans. With the amenities of a comparable site-built house costing nearly half a million dollars, you can have a HUD certified mobile home for half that price or less.



Source: Homes Direct website - <https://www.franklinhomesusa.com/why-buy-franklin>

## The Modern Mobile Home

Mobile homes have changed a lot since they first grew from the travel trailers of the post WWII era to the effectively permanently placed mobile homes of today. Nearly all mobile homes are only moved once, when they are installed. Depending on the condition, they may be moved again when they are replaced. The Task Force heard estimates that only 5% to 10% are ever moved, once sited.

The most significant influence on the design, construction and installation of mobile homes occurred in 1974 when Congress passed the Mobile Home Construction and Safety Standards Act designating the Housing and Urban Development (HUD) as the regulatory agency for mobile homes.

Mobile homes are mobile. They cross state lines. That fact enables the federal government to regulate them. Just as the National Highway Traffic Safety Administration (NHTSA) has enforces safety standard for automobiles, HUD enforces standards for mobile homes.

Today, all mobile homes manufactured in the United States are produced in HUD qualified factories according to HUD standards. The final product bears a certificate guaranteeing that the product adheres to HUD performance codes. The federal Housing Finance Agency will not insure loans on mobile homes unless the home has that certificate. Freddie Mac and Fannie May on the secondary loan market will not purchase a mobile home loan unless that home was built after 1976 and has that certificate. All this means that as the HUD standards evolve, so does the quality, affordability, and energy efficiency of mobile homes throughout the United States.

Manufacturers of mobile homes have competing designs that must meet the quality, durability, safety, and affordability standards put forth by HUD. That last standard, affordability, is important. Most, if not all, consumer products regulated by the federal government do not specifically mention affordability as a criteria for acceptance. Mobile homes are unique in that they are acknowledged as a product, the regulation of which, is intended to keep it affordable for lower-income individuals.

In order for a manufacturer's design to be approved by HUD they must follow the National Manufactured Home Construction and Safety Standards (NHCS). The Standards cover Body and Frame Requirements, Thermal Protection, Plumbing, Electrical, Fire Safety and other aspects of the home, published under 24 CFR Part 3280.

The standards are enforced by HUD through Primary Inspection Agencies (PIA), There are two types of PIAs: Design Approval Primary Inspection Agencies (DAPIA) and Production Inspection Primary Inspection Agencies (PIPIA). Manufacturers contract directly with a state or private third-party agency and pay for the design review and home inspection services.

### United States Codes

TITLE 42—THE PUBLIC HEALTH AND WELFARE  
§ 5401. Findings and purposes

#### (a) Findings

Congress finds that—

(1) manufactured housing plays a vital role in meeting the housing needs of the Nation; and

(2) manufactured homes provide a significant resource for affordable homeownership and rental housing accessible to all Americans.

#### (b) Purposes

The purposes of this chapter are—

(1) to protect the quality, durability, safety, and affordability of manufactured homes;

(2) to facilitate the availability of affordable manufactured homes and to increase homeownership for all Americans;

(3) to provide for the establishment of practical, uniform, and, to the extent possible, performance-based Federal construction standards for manufactured homes;

Manufactured home retailers also have certain responsibilities to assure that only homes meeting the standards are sold to the general public.<sup>20</sup>



Owning a HUD certified mobile home with its distinctive red label provides the owner some recourse should a problem arise with the home. Most owners of site-built homes in Vermont have no such recourse outside breach of contract litigation. A mobile home owner can first work with the retailer, then the manufacturer and finally with HUD or one of HUD's State Administrative Agencies (SAA). Vermont does not participate as an SAA so the contact would be with the national administrator.<sup>21</sup>

### *Mobile Home Installation*

Another significant step taken by HUD pertained to the installation of mobile homes. The importance of this cannot be overstated. Proper installation significantly enhances the performance and durability of mobile homes. A frost-protected poured concrete slab designed to meet HUD's installation and the manufacturer's foundation requirements, in lieu of siting a home on a non-frost-protected foundation prevents settling. Properly installed vapor barriers, underbelly venting, and skirting can further improve longevity and reduce maintenance of a mobile home.

Prior to implementation of the Manufactured Home Installation Program (MHIP) in 2008 there was no national regulation of how mobile homes were sited. MHIP regulations went into effect in Vermont in 2016. This means mobile homes in Vermont are installed by a HUD licensed installer on an approved foundation design and inspected by a qualified inspector before occupancy. Much of the enforcement of installation standards is indirect in that a lending agency may not approve a loan or an insurance company will not offer a homeowner's policy, without a HUD certified installation. A mobile home park may not allow mobile homes that are not installed correctly. Many entities, in addition to the owner, have a material interest in maintaining the value of mobile homes.

The result of implementation of HUD standards is that modern mobile home construction and installation is a regulated, standardized process specifically designed to provide affordable, durable, safe housing.

### *The Cost of a Home in Vermont*

The median sales price of primary homes sold in Vermont has continued to increase, reaching a median value of \$315,000 for 2023, according to recent Vermont Property Transfer Tax records. This continues a trend in which no county in Vermont has seen a decline in annual median home sale price during the period from 2019-2022.<sup>22</sup>

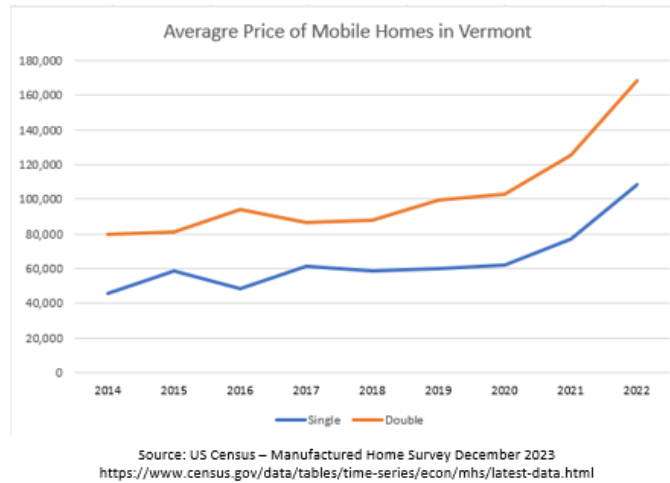
<sup>20</sup> U.S. Department of Housing and Urban Development site:  
[https://www.hud.gov/program\\_offices/housing/rmra/mhs/csp/mfsheet](https://www.hud.gov/program_offices/housing/rmra/mhs/csp/mfsheet)

<sup>21</sup> [https://www.hud.gov/program\\_offices/housing/rmra/mhs/csp/mhssaa](https://www.hud.gov/program_offices/housing/rmra/mhs/csp/mhssaa)

<sup>22</sup> <https://vhfa.org/news/blog/vermont-home-prices-continue-increasing-first-half-2023>

### *The Cost of Mobile Homes*

Mobile homes are not immune to the rising cost of housing. Their costs too are increasing. The chart to the right shows Vermont’s prices for single and double-wide mobile homes since 2014 as reported by the U.S. Census Manufactured Home Survey.



The percent increases in the last several years are shown in the table.

	Single	Double
2021	24.32	21.30
2022	40.67	34.48

The cost of a mobile home varies considerably with the make and model. The Task Force visited a dealership and found the current cost of a new single-wide mobile home to be about \$132,000 for a one- or two-bedroom setup. The 880+ square foot model works out to \$150/Sq. ft. A double wide ENERGY STAR three-bedroom model is around \$180,000 or \$129+/- sq. ft.

### *Siting Costs*

The cost of purchasing a new mobile home or replacing an older model is not limited to the home itself. Even placement in a mobile home park may require replacing or expanding an existing concrete slab. Skirting, tie-downs, and utility connections can be an additional cost. New mobile home models may also require electrical upgrades. The addition of \$10,000 to \$20,000 for siting a home within a mobile home park would not be abnormal. In fact, two recently scheduled installations in Colchester are costing in the mid \$30,000s. The cost of siting a new home outside a mobile home park can be considerably more, depending on existing infrastructure.

### *Advanced Factory Homes (AMH)*

Efficiency Vermont has been participating in the U.S. DOE Zero Energy Ready Home Manufactured Homes National Program to develop mobile home models that are both energy efficient and affordable. Peter Schneider’s of Efficiency Vermont describes the product:

The Advanced Manufactured Home (AMH) is a home built in a manufacturing environment that exceeds the energy efficiency requirements of the federal code regulating manufactured homes. Efficiency Vermont’s AMH also exceeds the minimum requirements for the U.S. DOE’s Zero Energy Ready Homes for Manufactured Housing program. The all-electric design, utilizing heat pump technology, eliminates the need for fossil fuel infrastructure for heating, water heating, cooking and clothes drying and also provides cooling during the summer months. The electrical system and roof structure are solar-ready, allowing the future installation of rooftop photovoltaic panels that will offset up to 90% of the home’s energy demand.

Upgraded features of the AMH include a 2x6 wall assembly with high density fiberglass batts, double-glazed windows, and OSB sheathing with integrated house wrap serving as an air and weather barrier. During construction, strategies are employed to minimize envelope and duct leakage, insulation is maximized in the floor, wall and roof assemblies to reduce heating and cooling losses. The improved thermal envelope ensures improved comfort, durability and energy savings. An ENERGY STAR-labeled ducted heat pump and heat pump water heater provides fossil-fuel free heating and cooling, and hot water. The home also features ENERGY STAR bath fans, balanced whole-house ventilation with energy recovery, and ENERGY STAR lights and appliances.

### *Durability*

A 2023 study by Harvard University<sup>23</sup> states the following:

A widely held belief regarding manufactured homes is that their lower prices are a byproduct of inferior construction standards as compared to site-built homes. Studies by housing scholars at both the University of Michigan and Harvard University have demonstrated that quality differences between local site-built codes and the HUD Code are minimal, as are the differences in average usable lifespan between the two housing types (Genz 2001; Vermeer and Louie 1997). Boehm and Schlottmann (2008) also find that the same factors determine the quality of both manufactured and site-built homes and that there is no difference in the rate of depreciation of both types of structures over time.

As with a site-built home, durability depends on proper maintenance.

### *Do Mobile Homes Appreciate or Depreciate in Value?*

Perhaps because mobile homes evolved from travel trailers and RVs there is a question as to whether mobile homes, like cars, depreciate in value. The fact that mobile homes are often on rented land complicates the issue. This is of particular concern when considering loan rates and property valuation.

The fact that mobile homes seldom move does not mean it appreciates in value. Much depends on whether the mobile home owner also owns the land upon which it is sited. As with site-built homes, it is the land that drives the value.

The result is that “landed” mobile homes offer a better opportunity for the owner to build equity than does an “unlanded” mobile home on a rented lot. Still, the evidence is not clear that mobile homes themselves depreciate more than a site-built home.

One approach to quantifying this is to look us Vermont’s unique education funding system and its reliance on property values. Use of the State’s Common Level of Appraisal values for rented and landed mobile homes indicates that mobile homes appreciate at rates similar to other

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<sup>23</sup> *Comparison of the Cost of Manufactured and Site-built Housing* (July 2023) from the Joint Center for Housing Studies of Harvard University.



property types. There is no indication in CLA values that mobile homes on rented land are consistently depreciating.

## **Other Factory-Built Housing**

### *Modular Construction*

Mobile homes are not the only housing that is built within a factory. The cost savings of the factory setting are also being used for modular structures that do not fit the HUD definition of a mobile home.

A modular home is usually a combination of structures built within a factory and then assembled on-site. Site-related construction is more extensive than that which is done with mobile homes and requires skilled carpenters. Assembly typically involves a crane that can lift the modules into place making their placement problematic in some locations.

A surprisingly diverse array of structures can be built with modules. One of the first steps in the modular manufacturing process is to analyze the proposed product and modify it to fit the factory process.

### *Panelized Construction*

Modular construction move rooms along the highway. Panelized construction moves walls. Transportation costs can be reduced as more than one room can be loaded on a truck. However, more assembly at the destination is required. The walls can be in various stages of completion depending on the builder and what is required.

### *Tiny Homes*

Tiny homes have become popular for their focus on downsizing, affordability, and mobility, but due to limited demand, are currently not factory built. The Task Force did not investigate tiny homes or other similar housing alternatives which include micro homes, minimalist houses, and earthships.



### *Modern Housing Factories*

Above is a panoramic photo of the Titan Homes mobile homes factory in Sangerfield, NY. It is an example of a highly efficient mobile home factory. The assembly line creates seven homes a day and could be ramped up to output 1,800 homes a year.

The Task Force chairperson toured two modular home factories: KBS Homes in South Paris, Maine and Huntington Homes in East Montpelier, VT. Several other legislators accompanied the

Vermont tour at Huntington Homes and the Fecteau Homes retail site in Montpelier. While neither KBS or Huntington Homes produce the volume of homes delivered out of the Titan Homes plant, smaller housing factories demonstrate high levels of construction efficiency. Those efficiencies, and overall benefits relating to labor shortages and climate change mitigation mentioned in Section I of this report apply to all factory settings.

## Building Codes

The big difference between mobile homes and other factory-built homes is the codes with which they must comply. Though modular and panelized homes do not have to conform to HUD standards, they must conform with the same restrictions as a site-built home on the target location. A modular home, built in Montpelier by Huntington Homes, that is to be assembled on Cape Cod, must conform to the building restrictions of Cape Cod.

There is also an important difference between the type of codes regulating mobile homes as opposed to those most locations use to regulate modular, panelized, or site-built homes. The HUD codes are performance-based. Most local or state building codes adopt and/or modify the International Building Codes (IBC). Those codes are primarily prescriptive. What is the difference?

**Prescriptive** codes set specific, detailed requirements for various aspects of building design and construction, such as:

- **Materials:** The types of materials that can be used for different building components, such as structural framing, roofing, insulation, and fire protection.
- **Dimensions:** The minimum and maximum dimensions for structural elements, room sizes, egress pathways, and other spatial requirements.
- **Installation methods:** The specific ways in which materials and systems must be installed to meet code requirements.

**Performance-Based** codes focus on the desired outcomes or goals of a building, rather than dictating the specific methods or materials to achieve them. This approach offers flexibility and innovation in design and construction, allowing for alternative solutions that meet the performance objectives. Performance based codes also require a means of testing and certifying that the performance goals are met.

When affordability is a specific goal, as it is with mobile homes, performance-based goals and the guarantee that they are met, take on additional importance. Mobile home manufacturers are given the flexibility of performance-based goals in the design of their product. Walls do not have to be 4 inches thick. If a 3-inch wall performs as well, or more insulation is added to another assembly to offset the lower wall performance, then the cost of lumber can be saved. If a new and less expensive type of insulation results in the same required R-value for the area under the mobile home, then it can be used. But in each case, there must be proof that the performance requirements are met.

**“It’s a process, not a product . . . we can build almost anything you want in a controlled, efficient environment.”**

Jason Webster – Huntington Homes,  
Montpelier, Vermont

With competing mobile home manufacturers trying to reduce product costs and meet performance goals, the result is a product that performs a delicate balance that requires those that repair or maintain the homes to have specialized knowledge of the material and building techniques involved. If, after a plumbing repair, the insulation under the mobile home is not properly reinstalled, the performance goals may not be met, and the energy efficiency jeopardized. Less expensive building materials that must be kept dry in order to meet performance standards must be properly sealed from moisture after a repair. The shortage of skilled labor familiar with mobile home repair is particularly concerning for mobile home residents.

### *HUD Standards and Vermont Building Codes*

Vermont does not have statewide residential building codes, though some municipalities do have municipal codes. That means that for most of Vermont the HUD standards are more than adequate. However, Vermont does have mandatory Residential Building Energy Standards (RBES) which even the most energy efficient mobile home models do not meet. In fact, as the 2023 Act 47 Building Energy Codes Study Committee’s report states in reference to the RBES and the Commercial Building Energy Standards (CBES):

Studies in recent years show compliance with the RBES at about 54 percent and CBES at about 87 percent, with both rates declining. Both codes are scheduled to become more stringent with the goal of “net-zero ready” by 2030

That study recommends having the Division of Fire Safety administer all energy codes and “further exploration” for a statewide building code for Vermont.

### **Recommendations:**

- Continue and increase funding of programs to support training of more construction workers. Include mobile home specific construction knowledge in that training.
- Increase the contractor base supporting mobile home installation and park revitalization.
- Develop a program to send those who want to repair mobile homes to mobile home factories to receive specialized knowledge and training.
- Continue and increase funding for existing programs that replace aged mobile homes or fill vacant mobile home park lots with new energy efficient models.

## **Charge 5: Type and Scope of Data**

**The type and scope of data and information collected concerning mobile home residents, mobile homes, and mobile home parks and opportunities to make the data and information more centralized, accessible, and useful for informing policy decisions;**

### **Introduction**

With the increased interest in mobile homes as an affordable, energy efficient alternative for those seeking single-family housing, there is a need for up-to-date reliable data that relates specifically to mobile homes in Vermont. The Task Force investigated this by attempting to identify as many data sources as possible. There are many.

There are two kinds of data: direct data and seed data. The first is a self-contained dataset consisting of information collected from each member of the target population. Vermont's Grand List is an example. Specific data for each parcel of land makes up the dataset. Surveys taken from randomized samples are examples of seed data used to draw conclusions about a population larger than the sample size. The Task Force found both.

### **Vermont Data Sources**

#### *Vermont's Mobile Home Park Registry*

DHCD was charged with creating a registry of mobile home parks through legislation passed in 1995 that amended 10 V.S.A Chapter 153. Park owners are required to register with DHCD each year. An annual fee of \$12.00 per lot may be charged by DHCD. The park owner provides the following information defined in statute:

- (1) the name and address of the owner or owners of the mobile home park;
- (2) the name and address of any corporation and principals of the corporation with an interest in the mobile home park;
- (3) the name and address of any park manager;
- (4) the name and address and location of the mobile home park;
- (5) the duration of ownership of the park by the present owner;
- (6) the date the mobile home park was established;
- (7) the number of lots, including the number of vacant and occupied lots, in the park;
- (8) the lot rent to be charged for each lot as scheduled for October 1 of that year, and the effective date of that lot rent charge;
- (9) the services provided to the mobile home park leaseholders for payment of lot rent;
- (10) additional charges for services paid by leaseholders in addition to lot rent;
- (11) whether the mobile home park has a requirement that a mobile home must be purchased from a dealer designated by the mobile home park owner in order to be located in the park;
- (12) the number of mobile homes moved into and out of the park during the previous year ending July 1; and
- (13) any other relevant information requested on the form or by the Department.

In addition to these data, DHCD collects information on whether the park provides the following services:

- Water
- Sewer
- Streetlights
- Trash/Recycling
- Snow removal
- Lawn Care (lot)
- Community Space

The DHCD Registry is the most comprehensive and reliable source of data on the roughly 240 registered mobile home parks in Vermont. Every three years the department summarizes the data in a publicly available report. The reports from 2017 onward are available online. Most annual registry data since 2017 is available online.

### *The Grand List*

The Grand List, maintained by the Division of Property Valuation and Review within the Department of Taxes, is a comprehensive, publicly available listing of all real property within Vermont's municipalities. It includes the values and some description of the land, and any structures permanently attached to it, such as houses, buildings, and other improvements. Each entry in the Grand List typically includes information about the property owner's name and address, the property location and size, and its assessed value. There are about 350,000 records with nearly 50 fields.

Because the Grand List is key to the calculation of property taxes in Vermont, it primarily contains data relating to the value of real property and its location. However, it does characterize that data by category. Two of the categories are: Mobile Home/la and Mobile Home/un (landed and unlanded). Landed mobile homes are on land owned by the mobile home resident. Unlanded mobile homes are on rented parcels.

The Grand List can be used to determine the location of landed and unlanded mobile homes throughout the state. Another field in the Grand List (DESCPROP) is used to describe the property, but its use varies from town to town and the training of the person entering the data. The Lister Handbook used to train those that provide data for the Grand List states that "mobile home descriptions shall include, if available: manufacturer, model number, serial number and dimensions." but such detailed information is rarely entered.

Careful use of the Grand List can provide fairly accurate information on the number of rented and owned mobile homes in Vermont. Using the Grand List to extract more detailed information such as the value, age, condition, or when it might have moved is problematic, although rough estimates can be made.

### *Bill of Sales Data*

Anytime a mobile home is sold there must be a Bill of Sale (BoS). That BoS must be filed with the town clerk in which the mobile home is to be located. If a mobile home is moved from one town to another, there must also be a BoS filed with the town clerk.

The BoS contains useful data regarding the age, value, model, and location of the mobile home and can be used by the listers to determine the mobile home's assessed value. The information could be used to determine the quality of the homes and the needs of the owners. The BoS is publicly available at town clerk's offices but is stored in various forms using various software and is not centralized within State government. As a result, it is seldom used for research purposes.

### *Property Transfer Tax Returns*

When a mobile home is sold, a Property Transfer Tax Return (PTTR) is e-filed with the State Department of Taxes. That form contains information about the location of the home, its value, whether it was, or will be, rented, how the purchase was financed, and more.

The PTTR data publicly available online is not specific enough to be useful. However, the data behind what is publicly available could provide valuable information about the value, movement, and quality of mobile homes in Vermont.

The Task Force was uncertain as to whether a PTTR is e-filed when a mobile home is sold as personal property. This impacts whether a sales tax or Property Transfer tax is paid. It is possible that this has resulted in some mobile home purchasers paying both.

## **Vermont Agencies**

### *Vermont Housing Finance Agency*

Because Vermont receives federal funding for housing related programs, the DHCD is required to produce a Housing Needs Assessment report. VHFA released the most recent Vermont Housing Needs Assessment in 2020. The report contains extensive housing data for each of Vermont's 14 counties. It pulls together information from the DHCD Registry, the CVOEO-UVM Risk Assessment Tool, the Ryan Report commissioned by VHCB, and other data sources.

### *VHCB*

In 2019 VHCB commissioned consultant John Ryan, Principal of Development Cycles, to assess the sustainability of non-profit and cooperatively owned 52 mobile home parks in Vermont. The report reviewed park financials, quality, and infrastructure. The report detailed ten specific recommendations to VHCB to enhance the sustainability of mobile home park.

## **Vermont Specific Federal Data Source**

### *U.S. Census Data – The American Community Survey*

The American Community Survey (ACS) data is the most common federal source of data about housing in Vermont. It is important to note that this data is from a survey. The results are estimates.

For Housing data, the survey began with a random selection of 13,925 Vermont addresses. There were 7,242 final interviews. The results estimated 335,138 housing units and is referenced in this report. ACS data provides information about the number of housing units within the various types. Those types are illustrated in this report's response to Charge 1.

The ACS database contains a wealth of demographic data. Though it is difficult, if not impossible, to use the ACS data for demographic information specific to Vermont mobile homes, the data is useful for comparison to national statistics.

#### *U.S. Census Data – Manufactured Housing Survey*

The Manufactured Housing Survey (MHS) can be used to find data on the shipments and average prices of new mobile homes in Vermont. It also contains regional data. MHS produces monthly regional estimates of the average sales price for new manufactured homes and more detailed annual estimates including selected characteristics of new manufactured homes. The statistics on shipments of new manufactured homes are produced by the Institute for Building Technology and Safety and published by the Manufactured Housing Institute.<sup>24</sup>

#### *Vermont Surveys by CVOEO and UVM*

The Mobile Home Project at CVOEO has partnered with the researchers from the UVM department of Community Development and Applied Economics to conduct several surveys of mobile home residents in Vermont. A door-to-door survey was conducted from 2007 to 2009 with 256 respondents in nine mobile home parks. The results were published in a paper authored by Dan Baker and Kelly Hamshaw of UVM and was published in the *Journal of Rural and Community Development* in 2011.<sup>25</sup>

Tropic storm Irene hit Vermont in August of 2011. In an effort to aid emergency planners UVM and CVOEO conducted a statewide survey of park residents in the fall of that year. 363 households from 127 parks were surveyed about their levels of disaster awareness and preparedness.<sup>26</sup> Demographic data was also collected.

#### *The Risk Assessment Tool*

Following the 2011 spring flooding and Tropical Storm Irene, Act 137 of 2012 directed the then Department of Economic, Housing and Community Development to work with other organizations to assess and address the resiliency of mobile home parks in Vermont. As part of that effort researchers at UVM's Mobile Home Parks Research Team<sup>27</sup> worked to develop a Risk Assessment Tool (Tool). The series of spreadsheets draws data from the DHCD Registry, the DEC, and work performed by UVM. Though the tool was developed for the Act 137 Flood Resiliency Report it has been revised and updated since and is available on the DHCD website.

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<sup>24</sup> <https://www.census.gov/programs-surveys/mhs.html>

<sup>25</sup> Baker, D., Hamshaw, K., and Beach, C. (2011). "A window into park life: Findings from a resident survey of nine mobile home park communities in Vermont." *J. Rural Community Dev.*, 6(2), 53–70.

<sup>26</sup> 2011 Park Resident Disaster Resilience Survey – conducted by UVM and CVOEO in 2011.

<sup>27</sup> Dan Baker, Kelly Hamshaw and Scott Hamshaw

The tool is the best readily available source of data on the 239 parks in the DHCD Registry and includes the following as well as the Registry data:

- Number and percent of lots in specific flood hazard areas
- Drinking and wastewater system ownership and type

The Tool does not contain information on the homes within the parks, or the residents.

## **Conclusion**

Basic data on Vermont's mobile home parks is readily available in the Registry managed by the DHCD. The data needed to make policy decisions concerning flood resiliency is available in the Risk Assessment Tool. However, as this report makes clear, infrastructure needs are a primary concern for those seeking to sustain mobile homes and mobile home parks. Data concerning the needs and remediation costs that mobile home parks are required by law to address now and in the future is lacking.

With two thirds of Vermont's mobile homes located outside mobile home parks, a greater effort needs to be made to collect and analyze data about location, movement, age, and condition of individual mobile homes. Such information is already collected and available to the public through Bills of Sale, transfer tax returns, and the Grand List. But that data is hard to access and is not reported out regularly.

In an effort to fine tune policy and target specific needs, there is a temptation to require reporting of household data. The Task Force was careful not to recommend data requirements for mobile home parks or mobile home owners that would be inappropriate to ask of those in any other housing sector.

## **Recommendations**

- Designate a state agency to be responsible for the annual collection, aggregation, and reporting of mobile home data. A short-term focus group of those that currently have access to mobile data should be convened to coordinate the yearly transfer of data to the designated agency.
- Fund the creation of a statewide database of mobile home Bills of Sales housed at DHCD or the DMV. Bill of Sale data would then be entered into the database by town clerks.
- Determine if Form PVR-2606A (Vermont Mobile Home Relocation Statement) referenced in 9 V.S.A. § 2606 is being used as required.
- Continue funding of the Risk Assessment Tool



## Charge 6: Conversion to a Cooperation

**Conversion to cooperative ownership and technical assistance available to prospective and new cooperative owners, including the availability of guidance concerning governance structures, operation, and conflict resolution.**

### Introduction

Title 10 Chapter 153 spells out the legal process required when a mobile home park owner decides to sell their park. The residents have an opportunity to purchase the park as a cooperative and maintain their residency in the community they call home. The reality of that conversion and sustaining the park post-conversion is hard work.



The chart above was provided by the Cooperative Development Institute (CDI). CDI owns several parks in Vermont that are run as cooperatives and provides technical support for parks pre and post conversion.

CVOEO is also instrumental in supporting both mobile home parks and individual mobile homes. They provide resources, counseling, referrals and advocacy for mobile home parks and mobile home owners through their Mobile Home Program.

Cooperative mobile home parks face unique and daunting management challenges. Depending on the size of the park there may be little economy of scale. If the park cannot afford a professional management firm, leadership must make decisions and implement policies that directly affect their neighbors and may result in increased lot rents. The demands on voluntary leaders make it hard to recruit board members.

### *Post-Conversion Infrastructure*

One of the reasons a private park comes up for sale is the high cost of required infrastructure improvements. Part of the process of converting a privately held mobile home park to a cooperative involves an assessment of infrastructure needs and costs. That assessment is then used to demonstrate what lot rents will be post-conversion. Park residents may be willing to accept significant lot rent increases in exchange for the benefits of sustaining the park. But they do not expect new expensive infrastructure needs to be forthcoming.

The pre-conversion assessments frequently do not identify all the needs or adequately estimate the costs. The park leadership must then take on the task of identifying that need, obtaining financing, and managing new loans or grants that may well require lot rent increases.

### *Capital Reserves*

Cooperative mobile home parks have difficulty maintaining necessary capital reserves. Those reserves come out of lot rents imposed upon residents that are often already struggling to meet financial obligations. The needed cost of maintaining adequate capital reserves is not always made clear, nor well understood, prior to the conversion of a private park to a cooperative.

### *Professional Management Firms*

Managing a mobile home park requires day-to-day maintenance, periodic reviews, and long-term planning. CDI has found that cooperatives have an easier time finding residents willing to serve on governing boards if there is a professional property management company handling the day-to-day affairs of the cooperatives. But smaller parks cannot afford such contracts. Instead, the responsibility of collecting lot rents, responding to resident demands, prioritizing maintenance, and hiring work crews falls on leadership teams. When those leaders are subject to incessant small decisions that raise controversies among the residents, they are not left with time to consider the long-range policy issues more suited to their positions.

### *Support and Information Sharing*

There is currently no formal association of mobile home park owners that would enable the sharing of information necessary to sustain mobile home parks. Informal connections between leadership teams exist but do not suffice.

## **Recommendations**

- Increase funding for CVOEO's Mobile Home Program to assist in the training and technical support of mobile home park leadership teams.
- Provide the legal, technical, and financial support necessary to create an association of mobile home park owners.
- Develop ways to foster communication between cooperative leadership teams to pool resources and troubleshoot problems. This could be a yearly "summit" of leadership teams. There may well need to be financial incentives to promote participation.
- Consider direct financial support of professional management firms for non-profit and cooperatively owned mobile home parks.

## **Section III Issues Beyond the Charges**

### **Introduction**

While investigating mobile homes and mobile home parks, the Task Force discovered several issues that did not directly relate to the six charges assigned by statute. This section of the report presents those issues for further work.

#### *Environmental Justice*

This report confirms that mobile home park residents are more likely to be members of a marginalized population than are those in other housing sectors. For those residents, Environmental Justice is a very real concern. A paper published by UVM researchers in 2014 verifies this by stating that 32% of all mobile home parks in the state have some of their land in floodplains, and more than 20% of all mobile home parks have at least one house in the floodplain. Statewide, nearly 12% of mobile homes in parks are in floodplains. The consequences are devastating. 154 mobile homes in mobile home parks were destroyed by Tropical Storm Irene.<sup>28</sup> The flooding of July 2023 continued this devastation at mobile home parks in Ludlow and Berlin,

Vermont has made a commitment to address environmental justice issues. In Act 154 of 2022 the definition of Environmental Justice makes that commitment is clear:

Environmental Justice requires providing a proportional amount of resources for community revitalization, ecological restoration, resilience planning, and a just recovery to communities most affected by environmental burdens and natural disasters.

Act 154 created the Environmental Justice Advisory Council tasked with advising state agencies, reviewing required reports, and making recommendations. The law also required the development of an Environmental Justice Mapping Tool by ANR “to depict environmental justice focus populations and measure environmental burdens at the smallest geographic level practicable.”

The ANR’s Department of Environmental Conservation administers the Clean Water and Drinking Water State Revolving Funds that originate from and are governed by the EPA. These funds are intended to remedy health and safety violations in drinking and wastewater systems for eligible applicants. Many mobile home parks qualify for these funds, and some have benefitted, but the program was designed to prioritize municipal applicants. This priority system may run counter to Environmental Justice principles.

#### *Gentrification and the Definition of a Mobile Home Park*

The attraction of modern energy-efficient mobile homes is not limited to those of modest income. The simplicity of mobile home living and the sense of community provided by a mobile home park brings in residents of all income levels. As inexpensive homes are replaced with the

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<sup>28</sup> *Rapid Flood Exposure Assessment of Vermont Mobile Home Parks Following Tropical Storm Irene* (2014) by Daniel Baker, Scott D. Hamshaw, and Kelly A. Hamshaw

more expensive mobile homes, or custom-built modular homes, those that cannot afford those homes have to look elsewhere when considering a purchase.

The statutory definition of a mobile home park only says that there must be more than two mobile homes. It says nothing about the rest of the structures in the park. The Ryan report mentions this and states the following:

As the law stands, the MHPs zoning local status as well as certain resident protections (change of use notification requirements and rent increase protections) either do not or may not extend to tiny homes. Defining tiny homes as a type of mobile home would increase their capacity to innovate within these parks.

The statutory definition of a mobile home and mobile home park are also consequential with regard to mobile home rents within parks. Title 10 Chapter 153 contains portions that pertain strictly to rent amounts for mobile homes within mobile home parks. There may be rent related issues when structures other than mobile home are admitted into parks. Are those structures subject to the same rent regulations?

## **Recommendations**

- The State must adequately fund the Environmental Justice Advisory Council and further its work.
- Relevant House and Senate committees must Monitor ANR's development of the Environmental Justice Mapping Tool and ensure that mobile homes are included in its analysis.
- The statutory definitions of a mobile home and a mobile home park must be reviewed in light of new alternative housing structures and the development of factory-built housing communities.
- The statutes governing the State Revolving Funds for drinking and wastewater should be reviewed as they may require ANR to make the same amount of loan subsidy and administrative fee rates available to MHPs that are available to municipalities.
- The Environmental Justice Advisory Council should review legislative provisions that govern the DEC's State Revolving Fund program and make recommendations, if needed, to remove requirements that prioritize municipalities for the SRF funds.

## **Restatement of Recommendations for each Charge**

### **Charge 1: Status of Mobile Home housing sector**

No recommendations

### **Charge 2: Conditions and needs**

- Appropriate House and Senate committees should monitor the progress of CDI's feasibility study and review the results.
- The Department of Public Service should require Efficiency Vermont to conduct a resiliency analysis of all mobile home parks, and devote resources to assisting mobile home owners with upgrades to individual homes including 100-amp service and energy efficient heat and water equipment.
- Create a short-term task force of public funding agencies, technical experts, and park residents to identify opportunities to increase simplicity and accessibility of funding that supports park infrastructure improvements.
- Ensure that new proposed programs complement and do not complicate the current funding environment.
- Appropriate House and Senate committees should monitor the progress of CDI's feasibility study and review the results.

### **Charge 3: Real vs Personal Property**

- The House Committee on General & Housing and the Senate Committee on Economic Development, Housing and General Affairs should take testimony from realtors, real estate attorneys, mobile home dealers and buyers to assure that mobile home transfers are well understood with regard to taxes and public records.

### **Charge 4: Modern Construction**

- Continue and increase funding of programs to support training of more construction workers. Include mobile home specific construction knowledge in that training.
- Increase the contractor base supporting mobile home installation and park revitalization.
- Develop a program to send those who want to repair mobile homes to mobile home factories to receive specialized knowledge and training.
- Continue and increase funding for existing programs that replace aged mobile homes or fill vacant mobile home park lots with new energy efficient models.

### **Charge 5: Type and Scope of Data**

- Designate a state agency to be responsible for the annual collection, aggregation, and reporting of mobile home data. A short-term focus group of those that currently have access to mobile data should be convened to coordinate the yearly transfer of data to the designated agency.

- Fund the creation of a statewide database of Mobile home bill of sales housed at DHCD or the DMV. Bill of Sale data would then be entered into the database by town clerks.
- Determine if Form PVR-2606A (Vermont Mobile Home Relocation Statement) referenced in 9 V.S.A. § 2606 is being used as required.
- Continue funding of the Risk Assessment Tool

**Charge 6: Conversion to Cooperatives**

- Increase funding for CVOEO’s Mobile Home Program to assist in the training and technical support of mobile home park leadership teams.
- Provide the legal, technical, and financial support necessary to create an association of mobile home park owners.
- Develop ways to foster communication between cooperative leadership teams to pool resources and troubleshoot problems. This could be a yearly “summit” of leadership teams. There may well need to be financial incentives to promote participation.
- Consider direct financial support of professional management firms for non-profit and cooperatively owned mobile home parks

**Section III**

- The State must adequately fund the Environmental Justice Advisory Council and further its work.
- Relevant House and Senate committees must Monitor ANR’s development of the Environmental Justice Mapping Tool and ensure that mobile homes are included in its analysis.
- The statutory definitions of a Mobile Home and a Mobile Home Park must be reviewed in light of new alternative housing structures and the development of factory-built housing communities.
- The statutes governing the State Revolving Funds for drinking and wastewater should be reviewed as they may require ANR to make the same amount of loan subsidy and administrative fee rates available to MHPs that are available to municipalities.
- The Environmental Justice Advisory Council should review legislative provisions that govern the DEC’s State Revolving Fund program and make recommendations, if needed, to remove requirements that prioritize municipalities for the SRF funds.