

Memorandum

To: Senate Economic Development, Housing & General Affairs

Re- S -34

From: Stuart Bennett, CUBB Properties 1, LLC

Date – April 25, 2025

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Good Morning

Thank you for the opportunity to discuss S -34 today.

My comments this morning will address the amendments proposed in S-34.

These comments will focus on CUBB Properties three mobile home communities in St Albans, St Johnsbury, and Milton.

Attached here are three documents:

- 1) The 23-year rent history in each CUBB community. Any increases complied with the rent “threshold” in 10 VSA 6252.
- 2) Capital costs related to infrastructure improvements in each CUBB community.
- 3) VDHCD Mobil Home Park Registration Summary – 2024

To summarize:

St Albans (- Brierwood)

- Built in 1953 and acquired by CUBB in 1982.
- Since 1983 CUBB spent **\$ 456,313** to upgrade sewer, water, electrical, roads.
- Over 23 years since 2001, CUBB only raised rent 11 times. The rent today is \$ 432/mo. Just \$11 above the State median lot rent of \$413.

St Johnsbury - (Green Lantern)

- Built in 1955 and acquired by CUBB in 1984.
- Since 1988 CUBB spent \$ **155,936.24** to upgrade, water, electrical, roads.
- Numerous septic repairs were not capital costs. CUBB is currently replacing 14 septic systems under the MHIR Program.
- Over 23 years since 2001, CUBB only raised rent 13 times. The rent today is \$ 375/mo. This is \$38 below the State median lot rent of \$413.

Milton – (Woodbriar)

- Built in 1957 and acquired by CUBB in 1991.
- Since 2008 CUBB spent \$ **1,312,053.57** to upgrade sewer & water.
- Over 23 years since 2001 CUBB raised rent only 13 times. The rent today is \$ 421/mo. This is \$ 8 above the State median lot rent of \$ 413.

VDHCD Park Registration Summary -2024

- The Mediation Threshold rent increase was 6.7%.
- The average rent increase was 5.75%. Which is **.95% below** the Threshold.
- Only 64% of parks increased rent.
- The median lot rent is \$ 413.

Conclusions

The Mediation Threshold format of 10 VSA 6252 was drafted specifically in 1995 to avoid the negative implications and reality of rent control. In 1995 I was involved in the drafting of this language.

This flexible “threshold” was intended to create a “flexible” limit for rent increases. This was designed to encourage sound social and financial judgment.

- S -34 creates a “hard” limit on rents. This ridged format is rent control which typically leads to automatic rent increases since there is the lingering question of when the hard limit will be changed.

CUBB and other Vermont park owners have exercised good social and financial judgment by keeping rents below the threshold.

Stuart Bennett

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