



City of Kent

# Manufactured Home Park Preservation Study

April 2021



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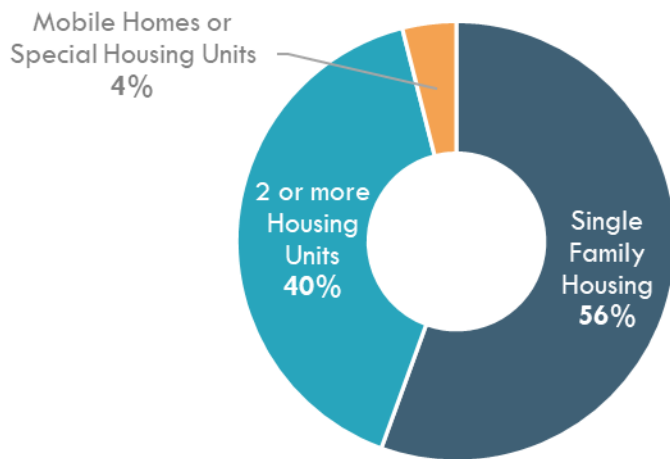
# Introduction

The City of Kent seeks to preserve and increase affordable housing options in the community. Many Manufactured Home Parks (MHPs) provide a unique, quality, affordable housing option for Kent’s residents.

This study identifies 26 MHPs in the City of Kent, as shown in the map in **Exhibit 2** (page 3). MHPs in this study include a reported 1,722 housing units. This aligns with the proportion of manufactured housing units as a total share of Kent’s housing stock. See

**Exhibit 1.** Using the average household size reported by residents, the study estimates 5,235 residents of Kents MHPs, or 4% of Kent’s 2020 population.<sup>1</sup>

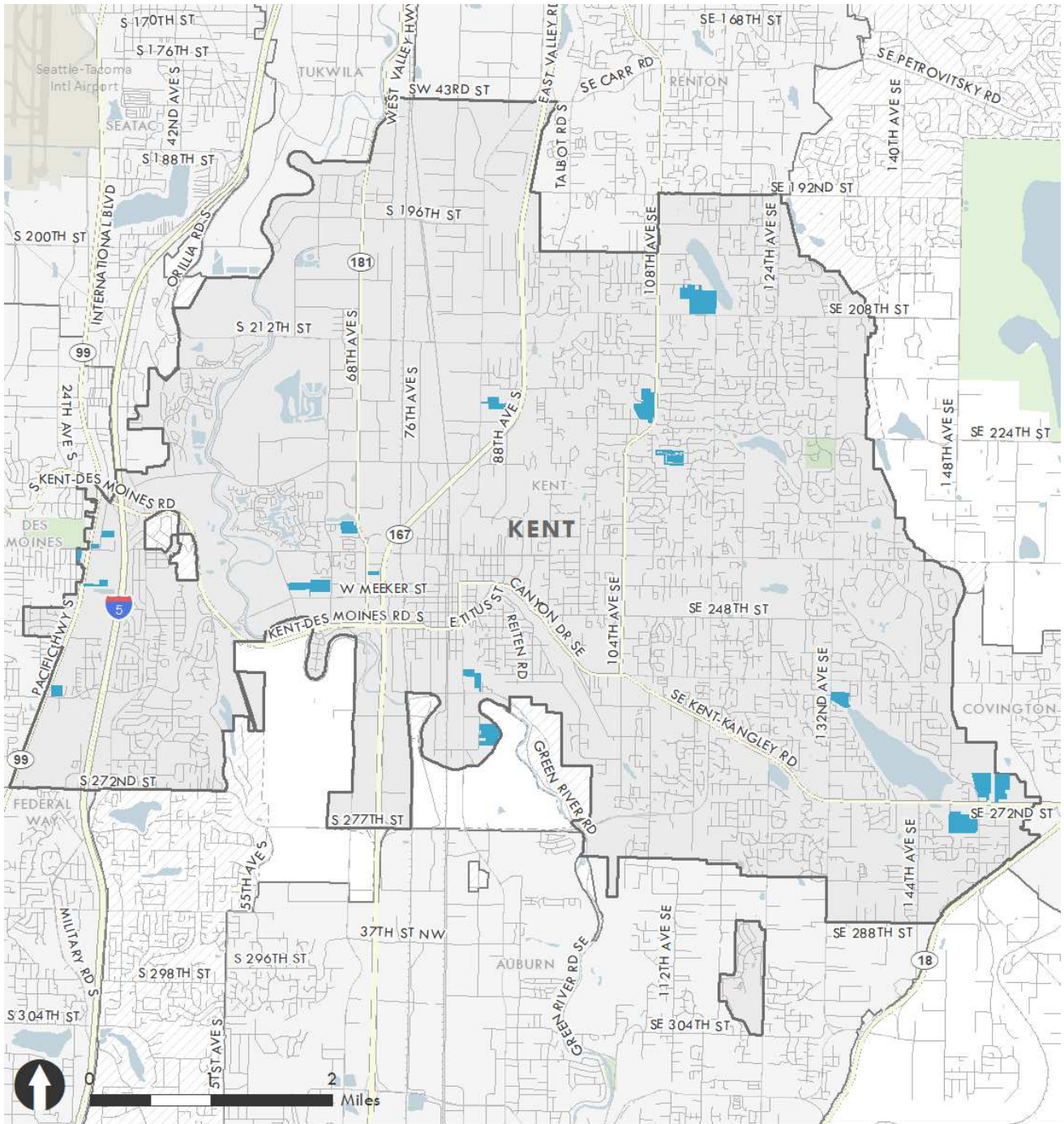
**Exhibit 1: Kent Housing Stock by Unit Type, 2020.**



Sources: Washington OFM, 2021; BERK, 2021.

<sup>1</sup> Average household size of 3.04 residents. Population estimate from Washington OFM population estimates, 2021.

**Exhibit 2: MHPs in Kent, 2021.**



-  City of Kent
-  Urban Growth Areas
-  Mobile Home Parks
-  Water Bodies
-  Public Lands



Note: Kenton Firs 1 is not shown on this map or considered as part of this study. The project understanding, confirmed by an HOA representative, is that residents in this community own their parcels individually. While the homes are manufactured housing units, the lack of shared land ownership makes the community a subdivision rather than a “park”.

Sources: King County Assessor, 2021; BERK, 2021.

## Study Questions

The Kent Manufactured Home Park Preservation Study will support the City's future policymaking for MHPs including strategies to preserve MHPs where they provide quality, safe, affordable housing for Kent's residents. The study sought information that would help the city determine MHP suitability for preservation and assess possible policy interventions.

The Study is driven by eight key questions:

1. What are the conditions of existing Manufactured Home Parks in Kent?
2. What are the conditions of manufactured and mobile homes in Kent?
3. What are the characteristics of Manufactured Home Park communities in Kent?
4. What role do manufactured homes play as part of the overall inventory of housing options in Kent?
5. What are the common landlord-tenant arrangements between park owners and residents? What do residents understand to be the responsibility of the park owner? What role(s) do park owners play in the community? What are the mechanisms of accountability?
6. What are the tools or resources available to support the preservation of Mobile Home Park communities in Kent when they provide quality, affordable housing for the benefit of the community?
7. What are the barriers to improving conditions in parks or units? What physical deficiencies are most impactful to residents? What are most impactful to owners?
8. What are the tools and resources available to support residents when Mobile Home Parks are replaced with other land uses? How can hardships to residents be minimized or mitigated?

## Study Components

In addition to this *Findings and Recommendations Report*, the study includes other components to help the City of Kent assess possible policy and regulatory interventions for preserving manufactured home parks going forward. These include:

- **Attachment A. Park Quality Assessment.** The Park Quality Assessment tool details the approach used for assessing MHP quality. As part of this project, a standardized assessment tool was developed for a systematic and transparent method for assigning a quality rating. These assessment results are supplemented by qualitative findings documented in site visits, staff interviews, and input from both owners and residents.
- **Attachment B. Resource Options Toolkit.** The Resource Options Toolkit reviews and describes resources, policy models, and protections available to residents of MHPs in Kent.
- **Attachment C. Kent Manufactured Home Park Inventory.** The Park Inventory provides information on each of the identified MHPs in Kent.

## Methods and Data Sources

### *Community and Stakeholder Input*

Stakeholder outreach was conducted between December 2020 and March 2021. Public safety measures related to the coronavirus pandemic prevented gatherings or tenant meetings.

- An **Owner’s Questionnaire** was mailed to the registered “taxpayer” of all MHPs in Kent. After the initial mailing, attempts were made to reach unresponsive owners through phone, email, text, site visits, and intercepting residents in the community to get updated information on park managers.
- A **Resident’s Questionnaire** that covered home repair needs, park conditions, what residents liked about their MHP, and residents’ concerns. Strategies to reach residents to increase awareness of the project and gather input were developed for each park depending on the cooperation of the park/owner. Park managers were not asked for the contact information of residents. Methods include sending a notice of the study in the park tenant’s monthly billing statement, posting flyers about the study to residents’ doors, sending letters about the study and inviting resident participation, mailing an initial postcard in advance of site visits, visiting MHPs and telling the residents about the study, customizing mailings to specific parks, announcing the study on Spanish radio. Outreach efforts were conducted in English and Spanish.
- **Interviews** with relevant expert stakeholders including MHP specialists and representatives from service organizations.

### *Other Data Sources*

- **King County Assessor:** County assessor data includes details on park parcels, including the registered ownership entity, zoning, estimated value, and an inventory of units – listed as accessory structures – with varying levels of detail. Some properties include the park age. The size of the site also comes from this source, contributing to the units per acre density calculations.
- **FEMA:** FEMA mapping data identifies 100-year and 500-year floodplains.
- **American Community Survey (ACS):** ACS data provides demographic summaries and household income information, used in this report to gauge housing affordability in Kent.
- **Washington Office of Financial Management (OFM):** OFM data compiles estimates for housing units by type and total population for cities in Washington.
- **Resident and Owner Questionnaire:** Questionnaire responses from Kent’s park owners and residents contribute to our understanding of park conditions and tenant-owner relationships. We received owner questionnaires from 19 of 26 parks (73%) and from 156 residents. Results from these questionnaires are presented throughout this report.
- **Zillow:** Estimates for current housing costs are based on reporting from Zillow. Home value estimates and rental trends over time are based on published datasets. Apartment rents and manufactured housing payments are based on current postings (updated as of April 2021).

## Key Findings

### 1. There is a wide range of conditions at Kent’s MHPs.

Park conditions and land use designations are driving factors impacting the likelihood that a MHP will

remain a MHP. Parks on land not designated for MHP use are at a greater risk of being closed and the land converted to another use. Parks with poor maintenance, or infrastructure not suited to their current use, are also at risk due to the complexity and cost of updating the park infrastructure.

**The conditions of MHPs vary across Kent.** The most significant determining factors appear to be the property management approach, site density, and the age of the units at the park. Newer parks tend to have wider lot sizes, community amenities, and newer housing units. Signals of poor park condition include high site density, frequency of unsafe accessory structures, improper fuel storage, poorly maintained site grounds, age of units, and unresponsive or irresponsible management practices.

**Many older parks are prone to crowded conditions and deferred maintenance issues.**<sup>2</sup> Some of these parks were established to serve as temporary mobile home parking in the 1960s and are geared toward smaller vehicles and dwellings. The size of manufactured housing has grown over time, making the smaller lot sizes in these MHPs incompatible with modern units. A history of deferred site maintenance results in needed infrastructure upgrades or flood prevention measures. At some parks, ownership has removed site amenities, like playgrounds and clubhouses, and replaced them with additional housing units. These practices contribute to crowding and lower quality of life for all park residents.

## Park Rating Designations

A 3-scale rating system designates each park's overall condition as: "highest level of concern", "improvement efforts needed", or "well maintained". These ratings are visualized within a category matrix in **Exhibit 4** and on the map in **Exhibit 5**. The category matrix adds land use context, an important reference point for considering long-term displacement risk.

- **Highest level of concern.** MHPs in this category are those with poor site quality conditions. The parks score a 2 or below on the assessment tool, or a 3 with significant documented resident complaints. Park concerns are likely to include three or more of the following: crowding of units, high frequency of unsafe accessory structures, improper fuel storage, poorly maintained site grounds, high percentage of units in disrepair, and unresponsive or irresponsible management practices. Residents are likely to express dissatisfaction with park management or appear guarded and unwilling to share information management.
- **Improvement efforts needed.** MHPs in this category demonstrate deficiencies in park maintenance, home repair, and/or management practices. Their assessment scoring is between a 2 and a 4, reflecting a mix of positive reviews and areas of concern. Concerns are likely to include one or more of the following: crowding of units, high frequency of unsafe accessory structures, improper fuel storage, poorly maintained site grounds, high percentage of units in disrepair, and unresponsive or irresponsible management practices. Resident surveys may reveal mixed reviews on site quality, unit upkeep, and management satisfaction.
- **Well maintained.** MHPs in this category score above a 3 on site assessments. Residents are generally happy with management practices or identify targeted concerns that do not pose imminent health and safety risks. Identified concerns apply to a limited number of units or spaces within the park. These parks are seen as successful examples of MHPs providing safe, quality housing in Kent.

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<sup>2</sup> We use "crowded" to describe the arrangement of manufactured/mobile homes as violating the setback requirements for home placement.



## Residential Zones

The underlying land use of MHPs is an important factor to consider. The land use designation determines whether the park can be converted to another use. Kent's land use code incorporates provisions for a Mobile Home Park zone within its residential categories. This zone protects manufactured housing communities from conversion to site-built housing, multifamily structures, and commercial uses, which are not permitted in the MHP zone.

There are 7 MHPs in Kent located outside of the MHP zone. Four of these are in zones where redevelopment is more likely – three in Midway Transit Community zones (MTC-1 and MTC-2), adjacent to incoming light rail development, one of these is also partially in the Midway Commercial/Residential (MCR) zone, and the fourth is in a Community Commercial (CC) district. Development pressures are more likely to affect these parks. The MTC-2 and MCR zones allow buildings up to 16 stories or 200 feet, the MTC-1 zone allows building up to 7 stories of 65 feet, and the CC zone allows buildings up to 3 stories or 40 feet. Owners are incentivized to sell or redevelop the property into another use that generates greater revenue. Three additional MHPs are located in lower-density residential zones: Soos Creek in SR-1, Kenton Firs 2 in SR-6, and Glenbrook condominium in SR-8. While these zones do not incorporate the commercial and multifamily uses found in the MTC and CC zones, they do allow for site-built homes. The density permitted in the SR-8 zone is only slightly less dense than the MHP zone (8.71 dwelling units/acre compared to 9 dwelling units/acre). In the scenario of residential land scarcity in Kent, these parks would be more vulnerable to purchase and redevelopment.<sup>3</sup>

## Rating Results

**This study identifies seven parks as “highest level of concern” for park quality conditions.** Four of these seven parks are clustered in western Kent near incoming light rail development.<sup>4</sup> Four are in land use zones that allow higher density, multifamily development. At least three of these parks opened pre-1980 (three parks do not report age in assessor data). Site conditions reveal unit crowding, many unpermitted accessory structures, lack of park amenities, and poor maintenance. Many of these parks include a higher number of RV parking spaces. Unit density per acre is higher than the citywide average and MHP zoning allowance for all seven of these parks, with a group average of 13.4 dwelling units per acre (See **Exhibit 3**).

**There are nine parks rated as “well maintained”.** The common areas of these parks are kept clean and there is generally an active on-site management presence. The units tend to be newer and in better condition. Some parks have tenants' organizations. Several of these parks are senior living communities, for residents 55 and older. All of these parks are located in either central or eastern Kent. Six of these parks are in MHP zoned areas; three are located in low density residential zones. All parks have lower than average site density. Three of these parks are located within the 100-year floodplain. The average unit density for these parks is 6.9 units per acre and none of the parks exceed the MHP zoning threshold of 9 units per acre.

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<sup>3</sup> [KCC 15.04](#) for zoning regulations.

<sup>4</sup> One MHP in Kent (Jackson MHP) has been closed to accommodate the Federal Way Light Link Extension. Four others front or face the light rail construction sites (Green Acres, Mar A Vue, Tip Top, and Midway). A portion of Tip Top Trailer Park has been converted to accommodate the light rail extension. The property manager for both Midway and Tip Top report greater difficulty in leasing spaces due to the construction impacts. The property owner at Green Acres reports that residents are excited about the proximity of the future light rail station.

**The remaining ten parks fall somewhere in-between.** Some of these parks are older with deferred maintenance issues, but the site is generally well kept with less unit crowding. Other parks show signs of decline, with amenities removed and less management oversight on conditions. All of these parks are located within MHP zoning. Five are in floodplains (4 in 500-year and 1 in 100-year). These parks are scattered across Kent and do not follow a common geographic pattern. The average unit density for these parks is 10.8 units per acre – six of the parks have unit densities that exceed the MHP zoning threshold.

**Exhibit 3: Site Density by Quality Rating of Kent MHPs.**

|                            | Average Dwelling<br>Units per Acre |
|----------------------------|------------------------------------|
| Well maintained            | 6.9                                |
| Improvement Efforts Needed | 10.8                               |
| Highest level of concern   | 13.4                               |
| <b>Overall</b>             | <b>10.1</b>                        |

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**According to Kent Municipal Code, the maximum density for new Manufactured Home Parks is 9 units per acre.**

*KCC 12.05.200*

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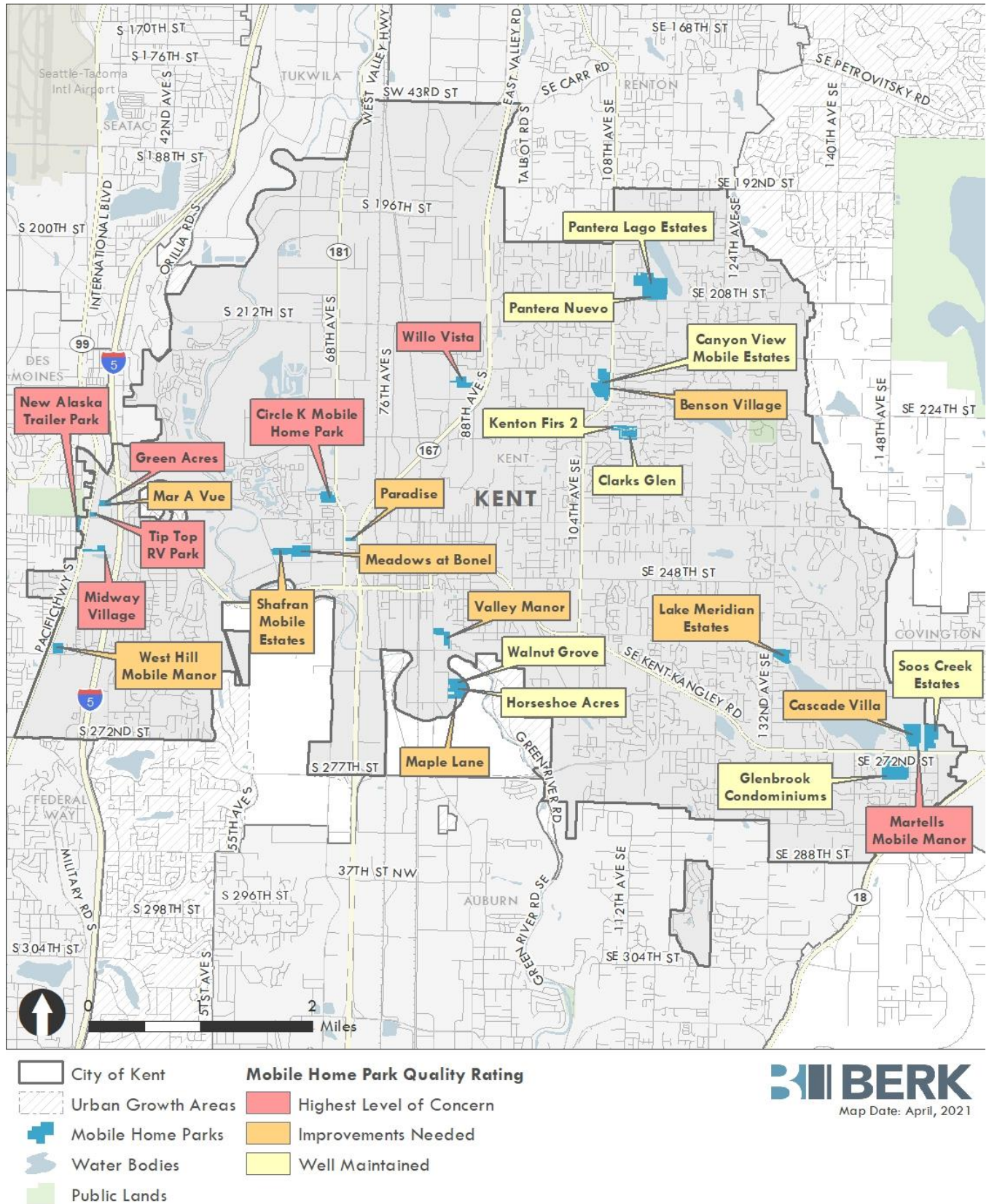
Sources: King County Assessor, 2021; BERK, 2021.

**Exhibit 4: Kent MHP Classification Matrix.**

|                                 |  | Park Quality Rating   |   |  |
|---------------------------------|--|---|---|--|
|                                 |  | Highest Level of Concern  | Improvements Needed   | Well Maintained  |
| Underlying Land Use Designation | <ul style="list-style-type: none"> <li>● 100-year floodplain</li> <li>● 500-year floodplain</li> </ul> |   |   |  |
|                                 | <b>Transit Center/Commercial Zoning</b>  | Martells Mobile Manor<br>New Alaska Trailer Park<br>Tip Top RV Park<br>Midway Village MHP   |   |  |
|                                 | <b>Other Residential Zoning</b>  |   |   | Glenbrook Condominium<br>Soos Creek Estates ●<br>Kenton Firs 2 |
| <b>MHP Zoning</b>               | Circle K MHP ●<br>Green Acres MHP<br>Willo Vista MHP ●   | Benson Village Estates<br>Cascade Villa MHP<br>Lake Meridian Estates<br>Maple Lane ●<br>Meadows at Bonel ●<br>Mar a Vue MHP<br>Paradise MHP ●<br>Shafran Mobile Estates ●<br>Valley Manor MHP ●<br>West Hill Mobile Manor | Canyon View<br>Clarks Glen Mobile Park<br>Horeshoe Acres MHP ●<br>Pantera Lago Estates<br>Pantera Nuevo<br>Walnut Grove MHP ● |  |

Sources: Zoning from Kent Municipal Code, 2021; Floodplain Status from FEMA, 2021; BERK, 2021.

**Exhibit 5: Quality Assessment Ratings of Kent MHPs.**



Sources: King County Assessor, 2021; BERK, 2021.

## 2. Many manufactured and mobile homes in Kent need repairs and upgrades to modern safety standards.

Similar to MHPs, the conditions of manufactured housing units vary widely across Kent.<sup>5</sup> Some MHP communities are comprised of a wide range of home ages, styles, and conditions, while others are more homogenous with all homes being of similar vintage and condition. See a summary of unit age in **Exhibit 8**. Unpermitted accessory structures are very common and often lack basic construction safety standards. They also tend to remove the intended buffer space between units, leading to crowding that can be unsafe in case of fires. Homes built prior to the introduction of HUD's manufactured housing standards in 1976 often lack fire safety considerations and proper electrical wiring. Unsurprisingly, many of the parks identified as the highest level of concern for overall conditions are also those with the oldest housing units.

Manufactured homeowners report a wide range of concerns for home conditions. The MHP resident questionnaire included a list of potential home maintenance concerns typical of mobile/manufactured housing. MHP residents most commonly report housing issues with pests, internal condensation from cooking or showering, soft spots in the floors, a lack of adequate heating, and a need for entryway repairs. Residents who live at parks with higher concentrations of older units report many home repair problems. More than 3 home repair issues are identified by many respondents, particularly those from Mar a Vue, Willo Vista, Meadows at Bonel, Lake Meridian Estates, and West Hill. **Exhibit 6** and **Exhibit 7** summarize MHP resident responses related to home conditions.

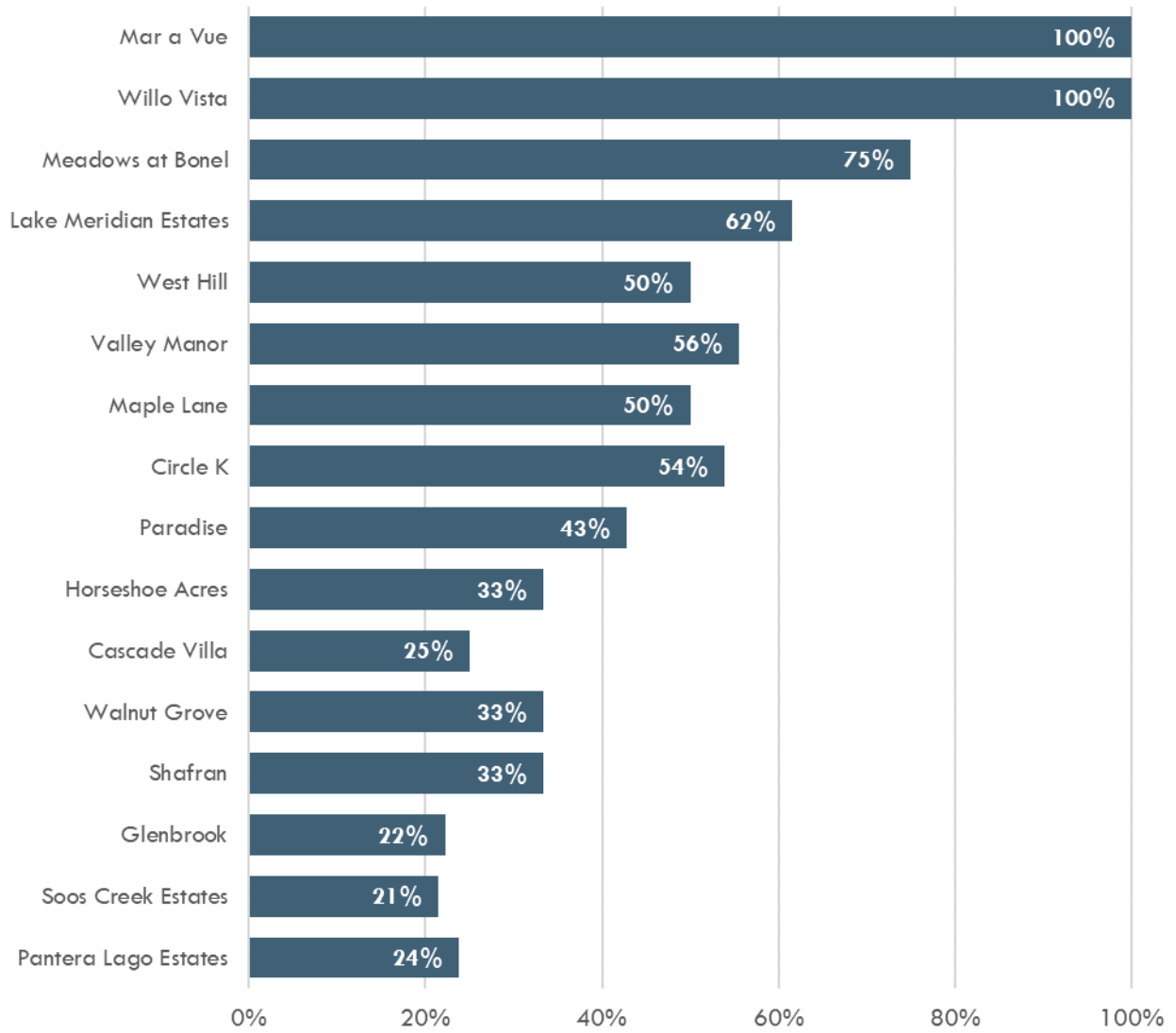
Some residents offered comments about their greatest home maintenance concern. A sampling of comments are:

- “Handrail needed in the next few years due to age”
- “Electrical issues and critters in the crawl space under home”
- “We keep an eye on the patched roof”
- “The ceiling is dripping because there is no filtration”
- “My bathroom leaks a lot and there’s rats”
- “The ant infestation every spring and summer. Even the exterminator has difficulty getting rid of them.”
- “Water leaks. Need to have my dishwasher hoses replaced.”

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<sup>5</sup> Summaries of home conditions in individual parks are presented in Attachment C: Kent Manufactured Home Park Inventory.

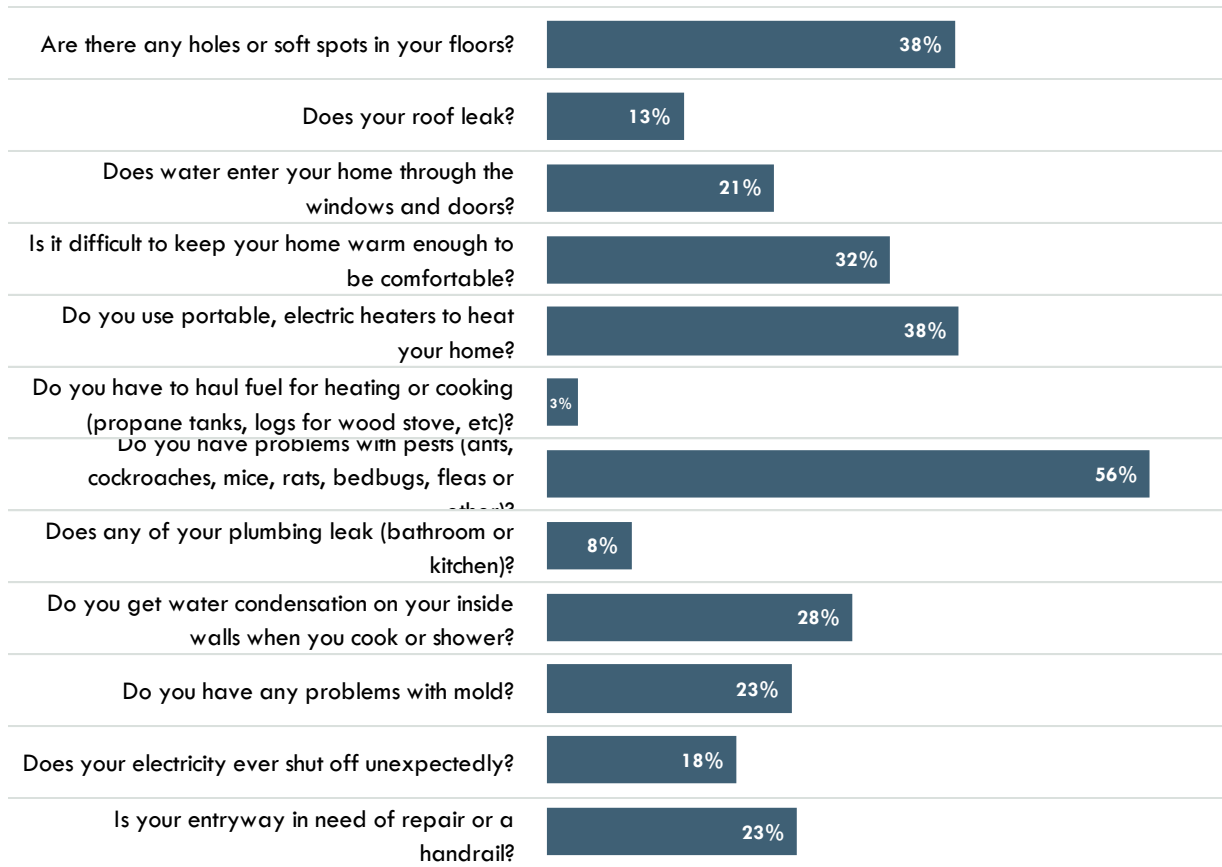
**Exhibit 6: Percent of MHP Residents Reporting 3 or More Home Conditions Issues.**



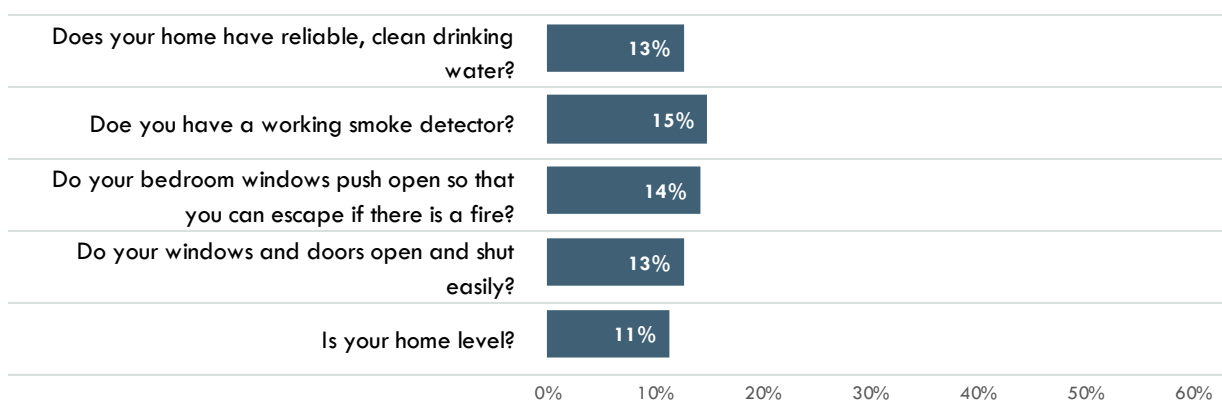
Source: BERK, 2021.

## Exhibit 7: Percent of MHP Residents Indicated a Housing Problem

### % Respondents responding "Yes" indicating a housing problem.

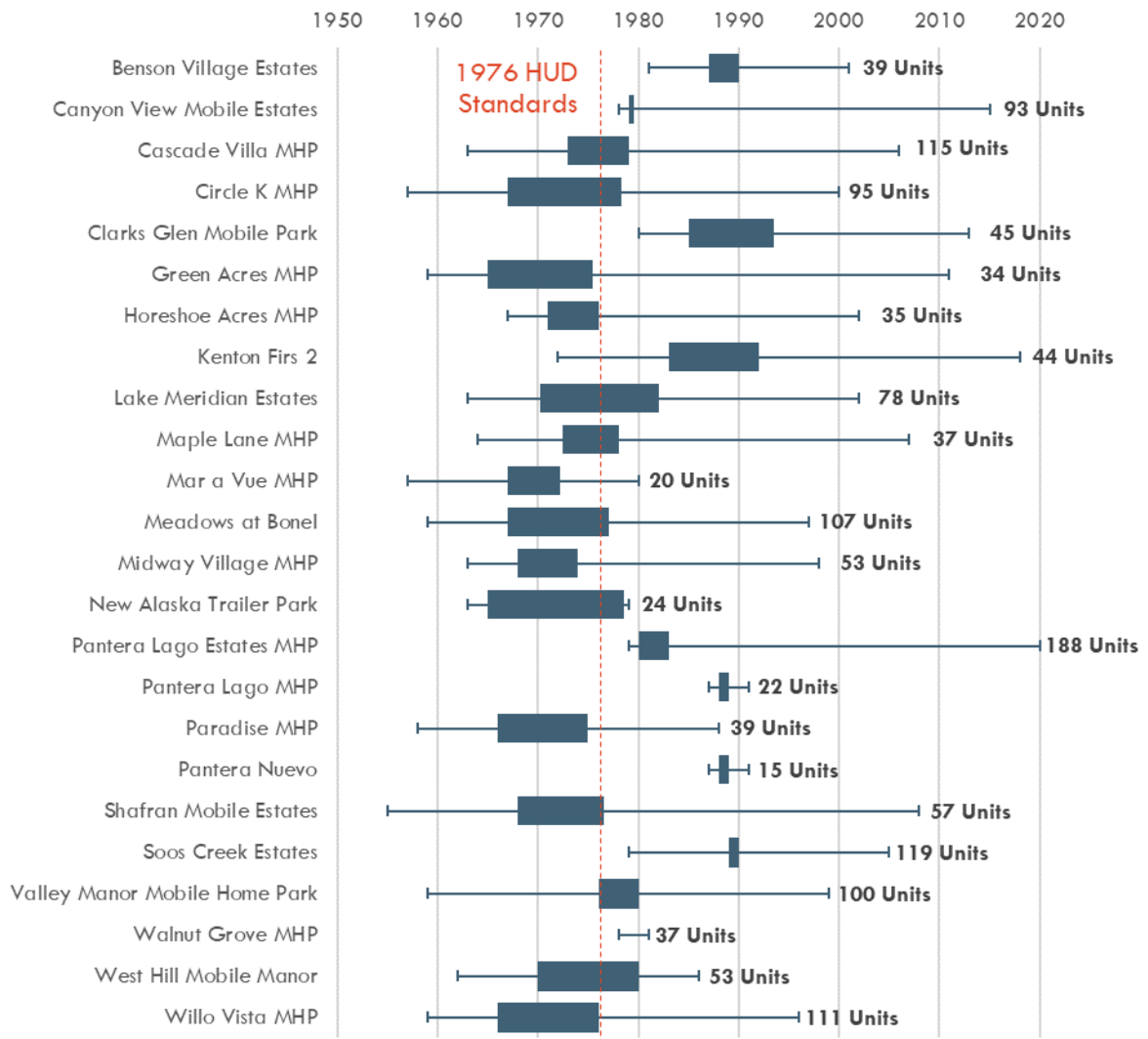


### % Respondents responding "No" indicating a housing problem.



Source: BERK, 2021.

## Exhibit 8: Age of Mobile/Manufactured Housing Units in Kent MHPs



### Notes:

Some data do not include recreational vehicles (these are not reported to OFM) and thus undercount the number of homes located in the park. For example, West Hill has 53 mobile or manufactured homes plus an additional 10 recreational vehicles that are integrated as housing units throughout the park.

Tip Top RV Park, Martells Mobile Manor, and Glenbrook HOA unit age not reported in County Assessor data. Tip Top RV Park and Martells are mostly comprised of recreational vehicles and traditionally built structures (duplexes and a house). Glenbrook is a condominium development with all residents reporting a housing unit vintage of 1991.

Sources: King County Assessor, 2021. BERK, 2021.

## 3. MHP communities include a diverse range of household types.

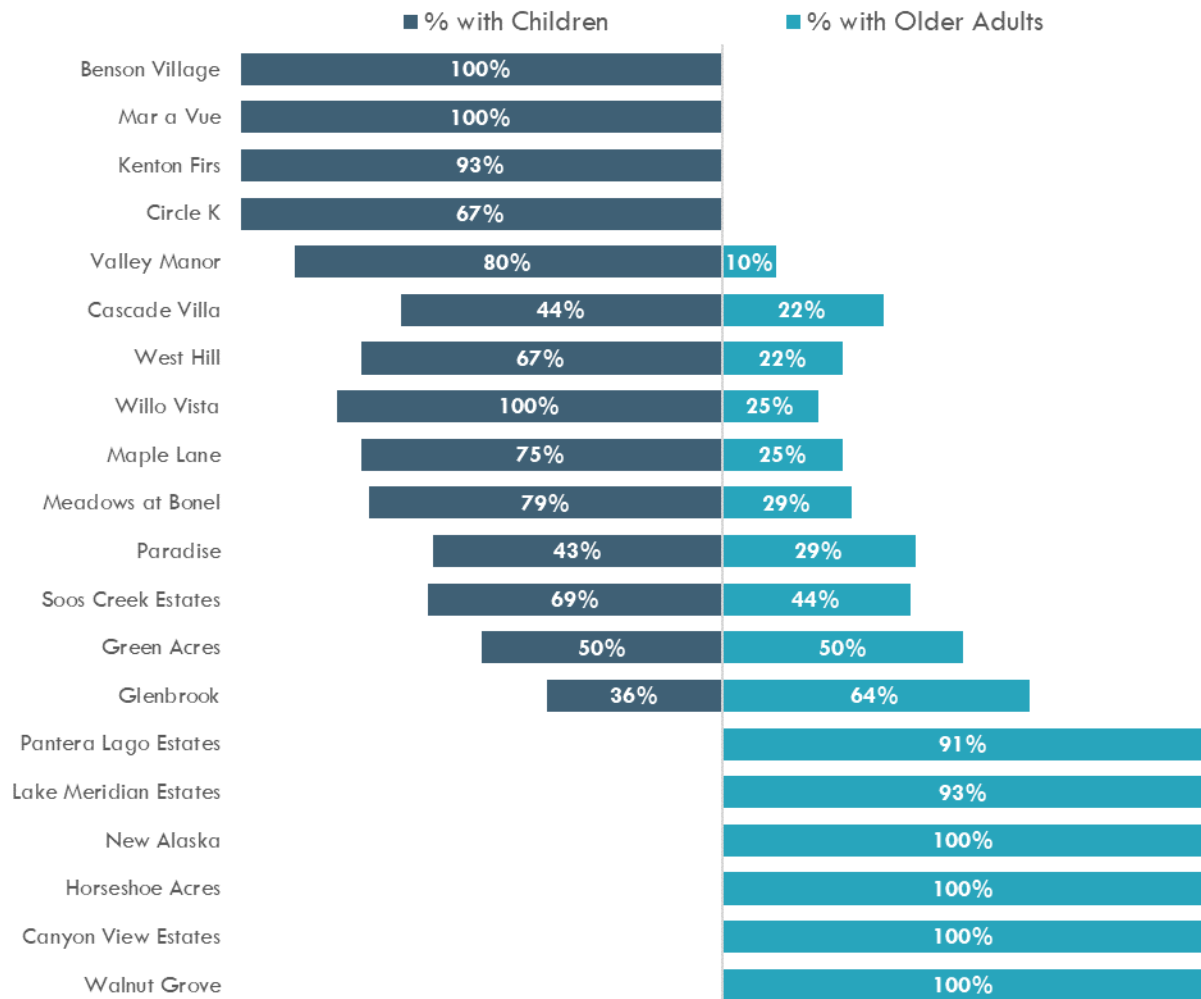
There is no single profile of a “typical” MHP household, but many living in these communities represent more socially vulnerable segments of the population. There is limited data on the specific compositions of park communities and park owners and managers are reluctant to collect or report demographic



information due to fair housing laws. The study found:

- Residents are often low-income or fixed income households.<sup>6</sup> “Affordability” and the opportunity for home ownership as the top two factors that residents report they like most about living in their respective MHP communities, presented in **Exhibit 10**.
- Questionnaire results reveal family sizes range from one to eight persons, with an average of 3.4. 45% of households have children under 18 and 49% include older adults. See **Exhibit 9**.
- There is a disproportionate population of Spanish-speaking households among MHP residents. The study team conducted targeted Spanish-language outreach, but even outside of these efforts, 33% of questionnaire respondents speak Spanish compared to 12% in Kent’s population overall.<sup>7</sup> Other languages identified during outreach include Arabic, Ukrainian, and Vietnamese.

**Exhibit 9: Household Composition at Kent MHPs.**



Source: BERK, 2021.

<sup>6</sup> Based on manager and MHP resident reports. The resident questionnaire did not ask about household income.

<sup>7</sup> ACS 5-year S1601 Estimates, 2015-2019.

## Senior Park Communities

Ensuring adequate housing suitable for aging in place is an important policy objective for communities experiencing an increased proportion of older residents. In King County, it is anticipated that by 2040, 20% of residents will be 65 and older. This is almost double the current rate in Kent (11%).<sup>8</sup> Housing well suited for older adults does and will continue to serve an important role in the City's housing stock. Several aspects of manufactured housing make it a good fit for aging in place: homes are single level and more appropriately sized for 1- and 2-person households, monthly costs are lower and thus better suited toward fixed incomes, and the clustered development style can foster community and connectivity among residents.

Not all parks are governed by age-restricted covenants but can still act as de facto retirement communities. The Glenbrook development is one such example. These Kent MHPs are explicitly for residents 55 and older:

- Canyon View Estates (93 units)
- Clark's Glen (45 units)
- Horseshoe Acres (35 units)
- Lake Meridian Estates (78 units)
- Pantera Lago (188 units)
- Pantera Nuevo (15 units)
- Walnut Grove (37 units)

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<sup>8</sup> OFM Medium-Series Estimates, 2017; ACS 5-year S0101 Estimates, 2015-2019

## 4. MHPs fill an important, affordable niche between apartments and single family housing.

Most manufactured homes and manufactured home parks provide quality housing at price points that are more affordable than site-built housing that is similarly located and sized.

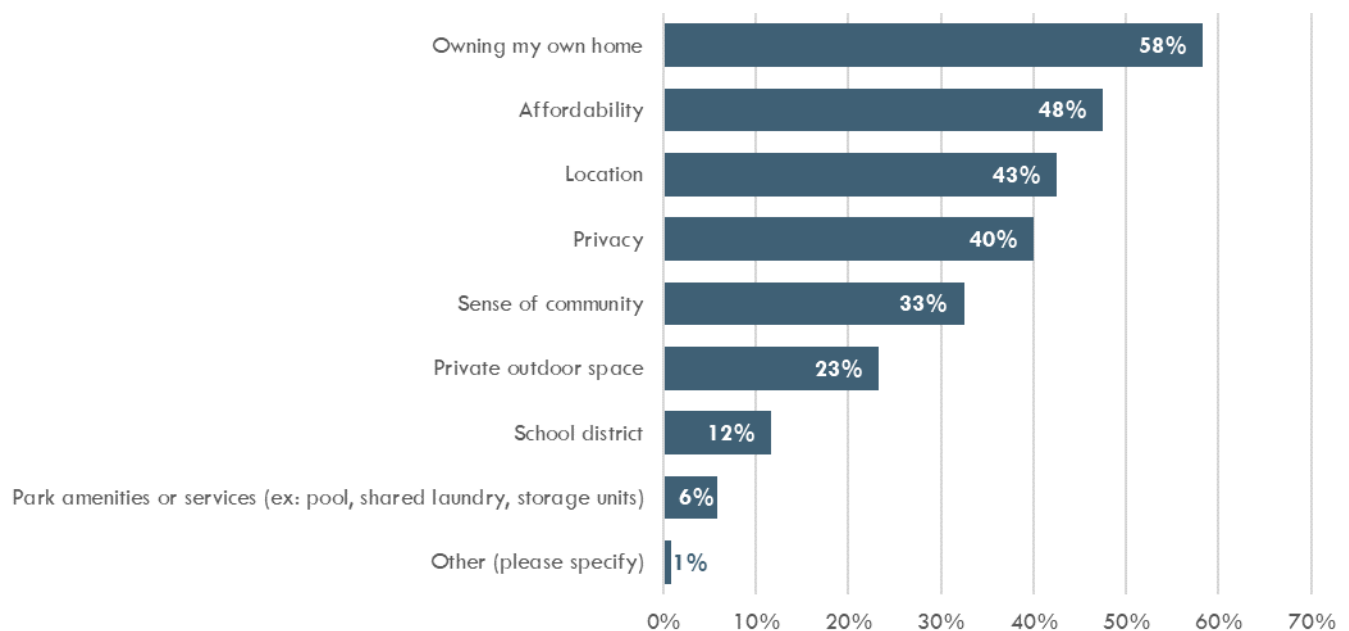
### Benefits of MHP Community Living

Parks range from 7 units to 180 units in size, offering different levels of amenities and service from management. Amenities vary from park to park and include park space, shared laundry facilities, and clubhouses.

Residents report a variety of factors that contribute to their choice to live in MHP communities. When asked to list the three best things about their MHP community the top responses are “owning my own home” (61%) and “affordability” (42%) offered in these parks **Exhibit 10**. The ownership aspect includes the ability to make modifications to the home and the ability to somewhat control changes in housing cost.

Location, privacy, and sense of community are also common responses. Write-in comments echo these sentiments and include detail for various aspects of the community feel, such as “It’s very calm. Kids can play outside”, “I feel safe and comfortable”, and “the Latinx community” as favorite aspects of MHP living.

**Exhibit 10: What MHP Residents Like Best About Living In Their Manufactured Home Community.**

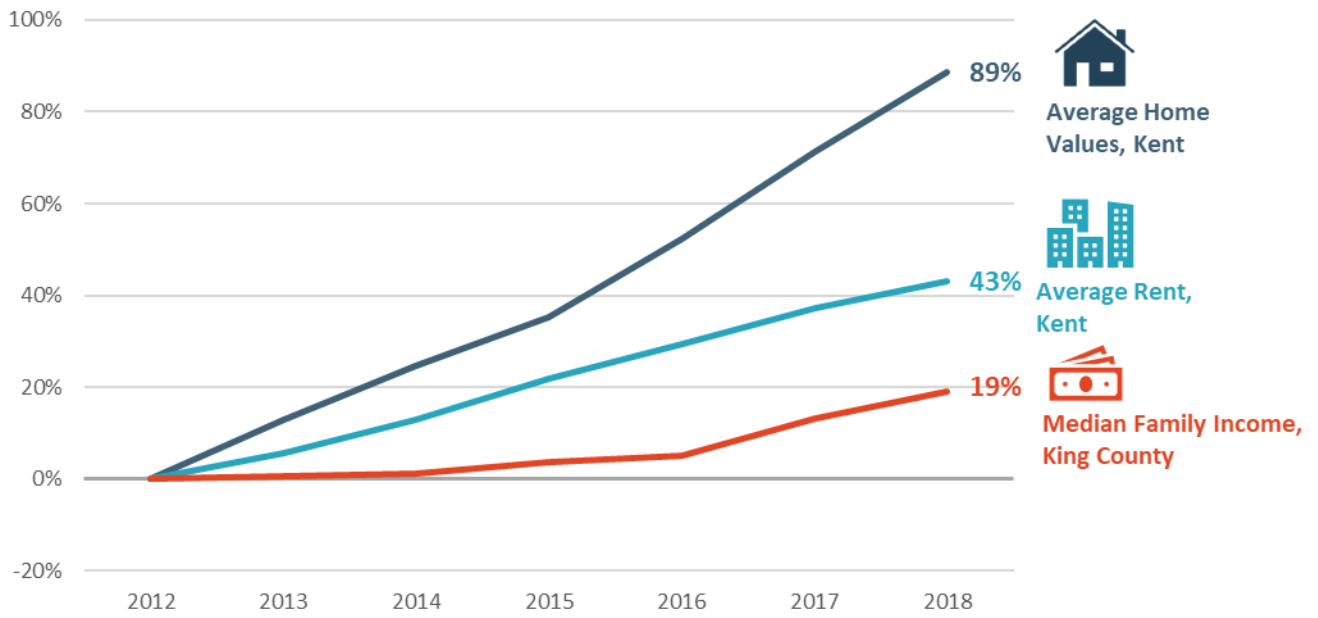


Source: BERK, 2021.

### Manufactured Housing Offers a More Affordable Housing Option

Housing affordability is a statewide challenge in Washington. Kent home values have increased at more than four times the rate of income between 2012 and 2018, as shown in **Exhibit 11**. These dynamics put pressure on household budgets and can lead to difficult financial tradeoffs for households, particularly those who spend 30% or more of their income toward housing.

**Exhibit 11: Percent Change from 2010 for Home Values, Rental Rates, and HUD Area Median Family Income.**

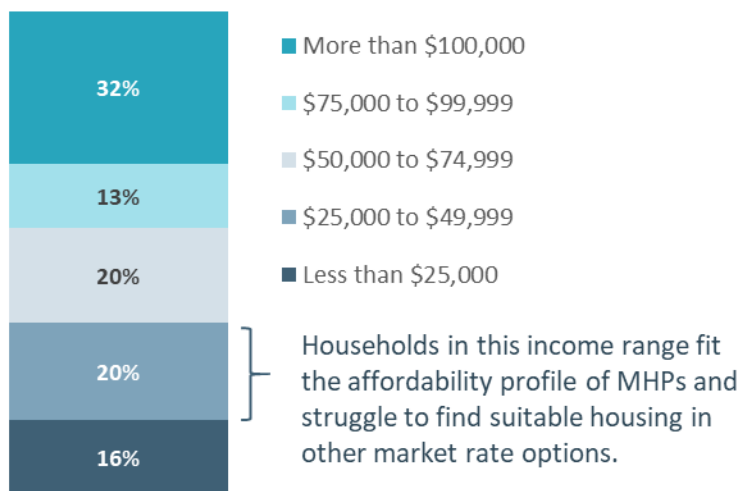


Sources: Zillow, 2020; HUD, 2020; BERK, 2021.

Homeowners of average and below average homes pay an estimated range of \$1,800 to \$2,900 monthly in Kent, before considering utilities and other expenses.<sup>9</sup> Using HUD’s affordability thresholds, this is affordable for households earning \$73,000 or more annually. Apartments and other rental housing in Kent vary widely in cost and size. Active postings on Zillow for one- and two-bedroom rentals start around \$1,300 monthly. This offers affordability for households earning at least \$52,000 annually. See **Exhibit 12** and **Exhibit 13**. Households earning less than this (approximately 36% of Kent households) will struggle to afford quality, market rate housing in the rental and ownership markets.

Residents at Kent’s MHPs report monthly rent ranging from \$575 - \$1,100.<sup>10</sup> These estimates are likely not inclusive of all housing expenses, as utilities, parking fees, and potential home loan payments are additional costs for a park resident. This cost of living is roughly aligned with housing affordability for residents earning \$25,000 - \$50,000 annually. Approximately 20% of Kent’s households fall within this income range. These households struggle to find housing in the private market that meets their needs while staying affordable. See detail in sidebar.

**Exhibit 12: Households by Income Bracket in Kent (as a % of all Households), 2018.**



Sources: ACS 5-year S1901 Estimates, 2018; BERK, 2021.

## HOUSING AFFORDABILITY

The Department of Housing and Urban Development (HUD) sets a threshold of 30% as the maximum amount of monthly income that a household can “afford” to pay toward housing before being considered cost burdened from housing. Cost burden analysis does not consider other essential household expenses such as transportation, healthcare, or food.

In King County, a household earning between \$25,000 and \$50,000 per year fall into “very low income” and “extremely low income” categories. The private market struggles to provide housing affordable to these income groups and, while these families quality for income-subsidized housing, there is a lack of available subsidized housing units in the market.

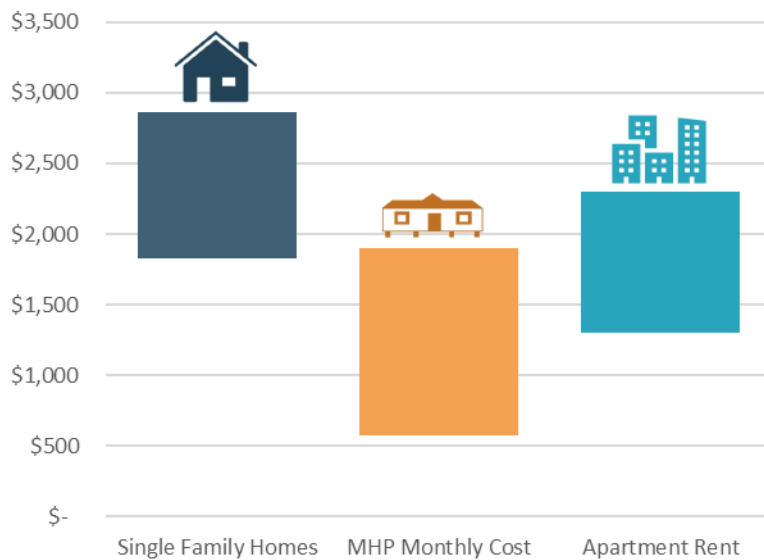
**Manufactured housing and MHPs play an important role in Kent by offering market rate housing options for households in these lower income brackets.**

-Sources: [Department of Housing and Urban Development, 2021](#); [King County Regional Affordable Housing Task Force, 2019](#)

<sup>9</sup> Calculations based on a monthly mortgage with Zillow’s recorded home values for housing that falls within the 5<sup>th</sup> and 65<sup>th</sup> percentile range of estimated value.

<sup>10</sup> Residents living in the two properties owned by the non-profit MHCP report lower rents, in the \$300 - \$600 range.

**Exhibit 13: Estimated Monthly Payments by Housing Type in Kent.**



Sources: Single family homes based on estimated monthly mortgages for median and lower market home values (2020), as reported by Zillow; MHP monthly cost based on resident reported rental payments and estimated mortgage for manufactured housing values as found on Zillow, 2021; Apartment rents based on 1- and 2-bedroom apartment rentals as reported by Zillow, 2021; BERK, 2021.

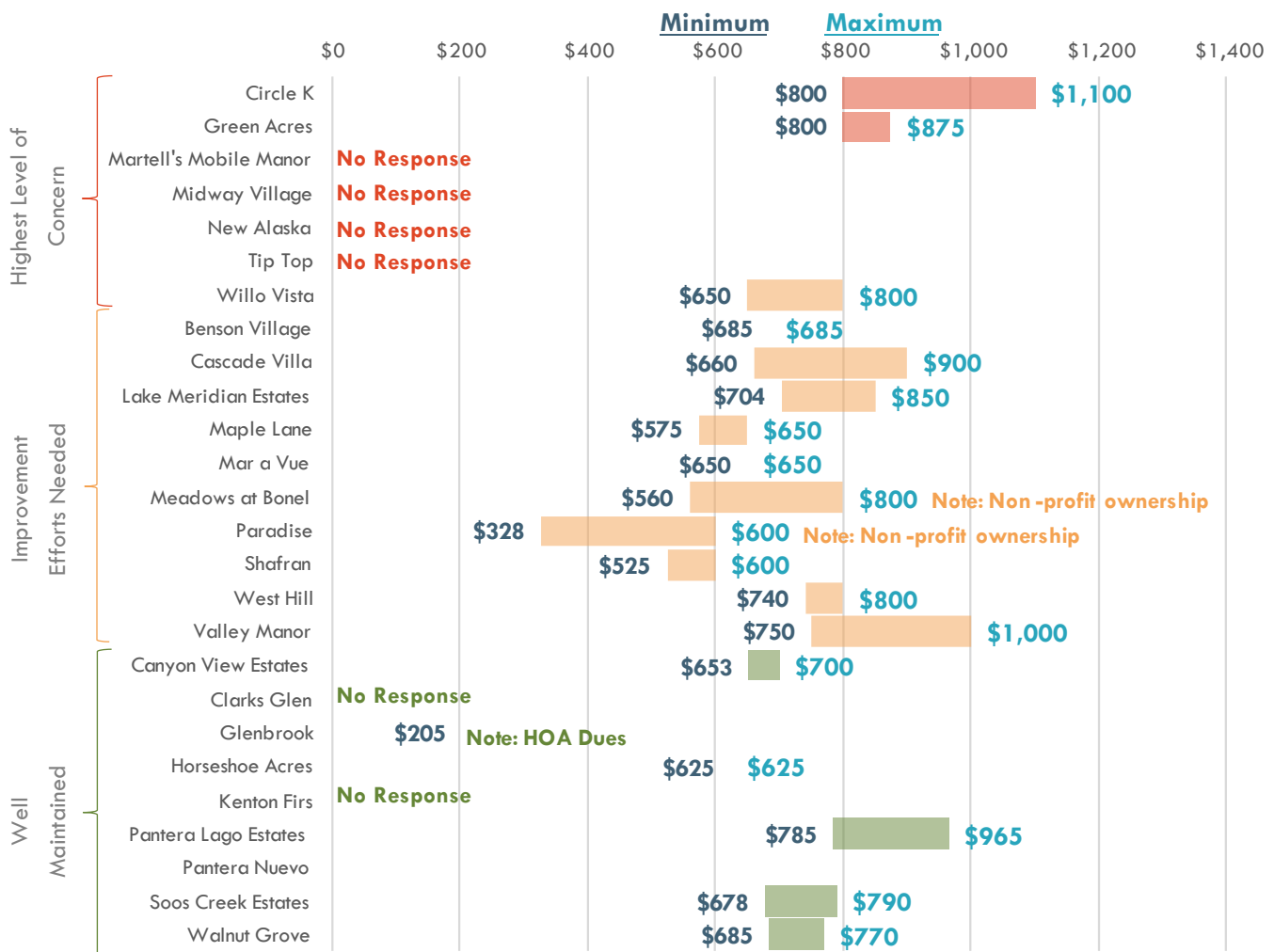
### Inconsistent Price to Quality Relationship

In Kent, there is no clear relationship between the reported lot rent paid by residents and the assessed quality of parks. See **Exhibit 14**. Many parks with low quality ratings charge higher rent than well maintained parks. Residents within the same park report a range of monthly expenses too, with little differentiation between individual lots. This variance may be due in part to added fees for things such as parking, pet ownership, utility use, and site upkeep. These fees can be a substantial percentage of monthly housing costs.

Residents in MHP communities often lack the option to easily leave their home site or move to another park. Vacancy at Kent’s MHPs is very low and moving a manufactured housing unit is costly and could potentially damage the unit. Since market rate housing and apartment rentals are often out of the price range for many of these families, residents are a captive market and vulnerable to increased fees by park management.

This pattern of high fees added to monthly rent appears in some of Kent’s MHP communities. As with site quality and household type, there is a lot of variation between parks. The detail provided during study interviews reveals utilities and fees add anywhere from 10% to 100% on top of the base monthly rent. With few realistic housing alternatives, residents with little income to spare must bear these additional monthly costs.

**Exhibit 14: Resident-reported Monthly Rent by MHP.**



Source: BERK, 2021.

## 5. Some parks have professional third-party management with active oversight and higher levels of service, while others are largely absent and difficult to contact.

### Ownership and Management Arrangements

In most cases, private park owners are quite remote to the park tenants. Parks are commonly held by Limited Liability Corporations (LLC) which reduce the owner's liability, separates assets so that liabilities on one property do not impact other properties, and has the benefit of pass-through taxation. An LLC that owns a specific park could then be held by another LLC, and so on. LLCs allow an investor to syndicate a property, enabling additional investors to participate, thus increasing access to capital for the purchase of more MHPs. The investor groups that own a portfolio of Manufactured Homes Parks tend to have easier access to financing, greater sophistication in management and organization, and some

economies of scale in marketing, legal, and other management functions.<sup>11</sup>

The Manufactured Housing Landlord-Tenant Act (MHLTA) requires the lease agreement to provide the name and address of the landlord or the landlord's agent. In most cases the owner is listed as the LLC, for example the owner of Soos Creek Estates is "Soos Creek Estates LLC". The address provided is commonly the accountant or lawyer of the owner. Most residents do not know who the actual owner of the park is.<sup>12</sup> In most cases they can identify a "park manager," either one who lives in the community or lives in another MHP in the region.

Owners were initially identified through King County Assessor's data. An inquiry about park owners and managers was sent to the party identified as the "taxpayer" for the parcels associated with MHPs in Kent. The study team followed up with other web-based contact information and located some managers that then passed the information on to the owners. Site visits and resident intercepts were also used to clarify or confirm property managers and/or property owners. Finally, business records from the Washington State Department of Revenue were used to identify the governors of LLCs and other corporations listed as owners. Among the combination of park owners and managers in Kent there is a great deal of variation in management approaches spanning from small, family-owned, self-managed parks to professional on-site management. Generalized categories of ownership arrangements represented in Kent include:

- **Resident-owned.** There are two resident-owned MHPs in Kent. Glenbrook is established as a condominium development with each homeowner owning their home as well as a proportional share of the park land. Residents are responsible for their own home maintenance and utilities. Homeowners also pay monthly dues to a homeowner's association (HOA). Glenbrook's HOA receives property management support through Bel-Anderson, a property management company with expertise in working with HOAs. Kenton Firs 1 is a community of 94 properties, located directly adjacent to Clark's Glen and Kenton Firs 2 MHPs. Kenton Firs 1 resembles a traditional single family neighborhood, with parceled land owned by individuals. Most residents of this neighborhood own their home as well as the land where it sits. Some residents own a couple of parcels and rent the homes on them out to tenants. The neighborhood HOA limits individual leased property to a maximum of 30% of total parcels. Because this ownership model is less of a "park" and more of a neighborhood, Kenton Firs 1 is not compared alongside the MHPs in this study.
- **Non-profit owned.** Two of Kent's parks are owned by the non-profit organization Manufactured Housing Community Preservationists (MHCP). These are The Meadows at Bonel and Paradise Mobile Home Park. MCHP operates on a community land trust model by acquiring and holding land on which the residents hold lot leases. The residents are responsible for maintaining their homes as well as their personal utilities, taxes, and insurance. MHCP is governed by a board of directors, with each MHCP community electing one of its residents to the Board. As a non-profit, MHCP was able to secure public funds for financing the land, which places income restrictions on residents (less than

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<sup>11</sup> Washington State Department of Commerce. 2020. Manufactured Housing Communities Workgroup Report. Pursuant to ESHB 1582 (2019).

<sup>12</sup> Most park owners were responsive to our inquiries for information on MHPs in Kent. A few were difficult to reach. Some property managers said they were not allowed to identify, or confirm the identity, of park owners. An owner of Parks Preservation, LLC would not confirm that they owned any parks in Kent (they own three) only that they do own MHPs in Washington.



50% of the area median income). MHCP provides an on-site manager.

- **Owner with third-party managers.** Five (5) parks have owners that contract with a third-party management company. The owners of these parks are typically not involved in the day to day operations of the park and may have very little contact with the park manager familiar to residents. The third-party management companies bring professional management services. The owners may have other primary business interests, with the parks being one component of their investment portfolio.
- **Vertically integrated manager/owners.** Ten (10) parks have owner/manager arrangements without third party management. To keep the management function and related liability separate from the real estate asset, the management company may be its own separate corporation independent of the corporation that holds the real estate (e.g. the park owner). Functionally these operate as a vertically integrated manager/owner operations, removing the need for a third-party manager thus reducing the overall cost to the park owner. Many of the owners in this category are family businesses, some multigenerational family businesses, that specialize in MHPs.
- **Self-managed.** Four (4) parks are smaller, self-managed, mom-and-pop type places. These tend to be the smaller, older parks with a greater mix of housing types (RVs, old site-built homes). These are all self-managed, though three of them have residents who act as a handyman who residents may consider to be a manager but is in fact a resident.

### Residents Most Commonly Look to the Park Manager for Assistance

We asked park residents who they go to for assistance or information. The most common response is the park manager. Only two parks, Glenbrook and Pantera Lago Estates have homeowners associations or formal resident groups. Residents of parks without onsite management are more likely to rely on friends or neighbors living in or outside of the park. Details about specific parks are provided in the Kent Manufactured Home Park Inventory (Attachment C).

**Exhibit 15: Who Kent MHP Residents Go to For Information or Assistance.**

|                       | Park manager | HOA rep | A friend or neighbor who lives in the park | A friend or relative who does not live in the park |
|-----------------------|--------------|---------|--|--|
| Glenbrook             | 13%          | 63%     | 38%  | 13%  |
| Meadows at Bonel      | 67%          |         | 22%  |  |
| Paradise              | 67%          |         | 33%  | 33%  |
| Soos Creek Estates    | 90%          |         | 10%  | 10%  |
| Lake Meridian Estates | 91%          |         | 18%  | 9%   |
| Walnut Grove          | 100%         |         | 40%  |  |
| Horseshoe Acres       | 50%          |         | 50%  | 50%  |
| West Hill             | 100%         |         |  |  |
| Pantera Lago Estates  | 81%          | 24%     | 33%  |  |
| Canyon View Estates   | 50%          |         | 100%                                       |  |
| Cascade Villa         | 100%         |         |  |  |
| Circle K              | 60%          |         |  | 20%  |
| Valley Manor          | 67%          |         |  |  |
| Mar a Vue             | 100%         |         |  |  |

Source: BERK, 2021.

### Management Challenges

Park owners and managers report a range of issues related to site management. Most commonly reported “significant” or “moderate” challenges are environmental issues, stormwater/drainage, and neighboring land uses. Issues with parking and resident maintenance of their homes were also commonly reported. In qualitative comments and conversations, owners and managers discuss frustrations with municipal responsiveness to complaints. Some owners discussed interactions with the City where projects started and stopped, requiring action and money from the owners without any end resolution. Other managers complained that reported issues of nearby dumping or site trespassing were not responded to in timely or effective manners.

**Exhibit 16: Kent MHP Owner-Reported Park Management Challenges**



Source: BERK, 2021.

### Mechanisms of Accountability

Due to the combination of factory-built and site-built components, as well as owner and leasing interests in Manufactured Home Parks, MHPs have overlapping interests and regulatory authority.

#### Kent City Code (KCC)

The City of Kent has regulatory authority over the site plan and all site-built structures of the development.

- **Site plan.** The City approves the Site Plan (KCC 12.05.120) and issues a permit to occupy the manufactured home park. All of Kent’s existing MHPs were developed prior to the establishment of the new site plan requirements and are considered legal, nonconforming uses. When an owner of a

MHP seeks to alter the current site plan by either removing or adding a new mobile home pad, they are required to apply for a permit to do so. If the site plan is modified without the appropriate permit the property owner is subject to a code enforcement action. Currently the City does not proactively check that the park use matches its approved site plan. The City would confirm if changes were reported by a resident or some other party or if city staff observe changes while in the park for another reason. If the City confirms that an un-approved change was made to the site plan, it can issue fines to the property owner until the violation is addressed. The property owner may be required to undo the unpermitted work or obtain the appropriate permits for the change.

- **Site built structures.** The City of Kent regulates the quality and safety standards of site-built structures including carports, sheds, or other built structures that are not attached to the manufactured home (are self-supporting). Homeowners must apply for a building permit to make structural additions to the lot they lease from the landowner. Landowners must apply for a permit to add or make alterations to park-owned structures. If the City finds unpermitted alterations to manufactured homes in a MHP, it will generally notify both the property owner and homeowner. The City will often work with the relevant parties to bring the addition into compliance with city code. If that is not possible, or if the addition encroaches on the required setbacks, the City can require the addition to be removed.

### *State Laws Regulating Manufactured and Mobile Homes*

- The Washington State Department of Labor and Industries Factory Assembled Structures (LNI FAS) enforces the state laws regarding modular structures (RCW chapters 43.22 and 43.22A). LNI FAS provides oversight and regulation of manufactured housing including any alterations to a manufactured home's structural, electrical, mechanical, and plumbing systems. LNI FAS provides permits and inspections to ensure alterations meet state standards. LNI FAS also provides Homeowner Requested Inspections (HRI) for owners wishing to refinance or sell their manufactured home.

The City and State pursue enforcement when it becomes aware of code violations. **In both stick-built and manufactured homes, work that is not visible due to its location can elude enforcement.**

Many homeowners may not be aware of requirements associated with changes to their manufactured home. The financial or equity incentive for acquiring permits and inspections of home remodel projects lies in the resale value of the home. In general, MHP resident homeowners focus on *staying in their home* rather than *building the equity in their home*. The average length of tenure in a manufactured home is longer than in other types of housing. There are three underlying factors that drive this; First, manufactured homeowners tend to be older with many MHPs being formal or de facto retirement communities. Second, the price differential between a manufactured home and a traditionally-built home makes it unlikely that a household will be able to advance into site-built housing. Third, owing to the availability of credit and the fact that the manufactured home is on land

owned by someone else, manufactured homes do not appreciate in value as much as site-built homes.<sup>13</sup>

- Manufactured/Mobile Home Communities are required to register and receive an endorsement from the Washington State Department of Revenue (DOR). DOR collects an annual fee for each qualifying manufactured or mobile home within a park. The fee pays for the Manufactured/Mobile Home Dispute Resolution Program.<sup>14</sup> There is a fine for MHPs that do not register with the program. It is unclear if there are any other consequences for non-compliance.

### *Lease contract between the property owner and leasing homeowner.*

While MHP tenants are homeowners, they are subject to the rules and regulations established in their lease agreement with the landlord/property owner. The lease is the foundational document that determines the obligations of the landlord and the obligations of the homeowner. The lease agreement can require things more commonly associated with rental tenancy such as written approval for long-term guests, prohibition of renting the property to another party, and requiring approvals for home modifications. The Manufactured/Mobile Home Landlord-Tenant Act (MHLTA) lays out the requirements for a rental agreement between a tenant and landlord.<sup>15</sup> While the MHLTA offers protections to homeowners/tenants, those protections are largely procedural. The landlord holds a much stronger position in the landlord/homeowner relationship.

### **The landlord maintains immutable rights as a property owner.**

After meeting specified procedural checks, the landlord maintains the right to evict the tenant, at which point the tenant/homeowner can either try to sell their home or have their home moved to another location. If the tenant is able to sell their home, the landlord maintains the right to approve the buyer of the unit. If there is back-owed rent, the landlord may require that rent be paid out of the proceeds of the unit sale. If the tenant is unable to sell their home, and unable to move their home within

## MANUFACTURED/ MOBILE HOME LANDLORD- TENANT ACT (MHLTA)

The uniqueness of the landlord-homeowner relationship leaves stakeholders confused about the contractual agreement that they sign. Landlord and Tenant rights and obligations are established by the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA) ([RCW 59.20](#)). This includes noticing requirements, grace periods, and conditions on which the landlord could issue sanctions against the tenant. It also specifies the recourse property owners and residents have when there is a lease violation.

More information on the MHLTA is available in the Resource Options Toolkit as well as through the Attorney General's Manufactured Housing Dispute Resolution Program and the Northwest Justice Project.

<sup>13</sup> Some manufactured homes in MHPs do appreciate in value. For example, Glenbrook is structured as condominiums, so each home is associated with a proportional share of the underlying land. Homes in parks owned by non-profits have more predictable rent changes and tenant resources, which supports the preservation or growth in home equity for the homeowner. Examples from other states with rent control show that manufacture homes can appreciate in value similar to other housing types.

<sup>14</sup> The following parks are not registered with the DOR system: Circle K, Green Acres, Mar A Vue, Martells, New Alaska, and Shafran.

<sup>15</sup> The MHLTA is reviewed in the Resource Options Toolkit.

the required period, the personal property could be deemed abandoned, thus allowing the landlord to take possession of what is often the tenant's most valuable asset. At this time the park owner could sell the home to a new buyer, though often the condition of the home requires improvements in order for it to be sold. If the home is uninhabitable due to poor condition, the landlord can dispose of the home and sue the homeowner for the incurred costs.

**Park tenants are at a significant disadvantage in holding landlords accountable to the requirements of the MHLTA.**

The disadvantages are multifaceted and include:

- The immobile nature of most manufactured homes
- The lack of vacancy in MHPs in general
- Limited financial resources on behalf of the tenant
- Limited knowledge of tenant rights and landlord obligations
- Institutional disadvantages associated with race, language, culture, or nativity

In response to this imbalance, the state directs the Attorney General's office to provide outreach and education around the MHLTA as well as mediation services through the Manufactured Housing Dispute Resolution Program (MHDRP). The Attorney General's scope of services focuses narrowly on compliance with the MHLTA and can be utilized by both the landlord and tenant. The AG endeavors to help the landlord and the tenant come into compliance with the MHLTA through education and mediation services though it has the authority to issue fines or other penalties. The MHDRP can help the tenant homeowner hold landlords accountable to the obligations specified in the MHLTA. In addition to the MHDRP, a tenant/homeowner's avenue for recourse would be through legal action.

## 6. MHP Communities in Kent can be supported through local regulations, tenant supportive services, and investments in site conditions.

While many of the laws governing MHPs and manufactured housing are established at the federal and state levels, cities play an important role in cultivating fair and sustainable MHPs in their local jurisdiction. This section provides a broad overview of tools available to the City of Kent for preserving MHPs. The Resource Options Toolkit provides more details on each of the tool categories and examples from other jurisdictions.

### Zoning

As the regulator of the built environment, local jurisdictions play a significant role in protecting the interests of homeowners and tenants in the community. Zoning serves to protect the interest of traditional site-built housing by providing confidence in the conditions of the environs of the home. Likewise, zoning protects the ownership equity in manufactured homes by ensuring that the park cannot be suddenly or easily changed to a different land use. Given the immobile nature of most manufactured homes, the value of the home relies on the stable predictability that zoning affords. The chance a manufactured homeowner could sell a home in a MHP community under threat of closure is significantly less than if the

park is unlikely to change. In this way, the most significant mechanism of manufactured home park preservation and protection for manufactured homeowners is MHP-specific zoning, though there are limitations.

Several jurisdictions in Washington State use Mobile/Manufactured Home Zoning as a tool to regulate parks and promote their preservation by limiting the ability of the landowner to convert the land to other uses, including other residential uses. This approach has been affirmed by Washington's Supreme Court through *Laurel Park Community, LLC v. City of Tumwater (2012)*, which concluded that the City of Tumwater rezoning properties as "Manufactured Home Parks" did not represent a take of the owners' interest in the parks. The parks could still be used as MHPs.

The City of Kent regulates MHPs through the Mobile Home Park Zone ([Chapter 12.05](#)), which allows MHPs to be sited in existing MHP zones, or in MHP combining districts ([Chapter 12.05.060](#)), which allows MHPs in all land zoned for residential uses, with the exception of R1-Single Family Residential.

Kent City Code establishes a robust process for reviewing a rezone request by a property owner (Chapter 15.09.050). In reviewing a rezone request, the City considers certain standards and criteria, including:

- The rezone should be consistent with the Comprehensive Plan,
- The proposed rezone and subsequent development of the site would be compatible with development in the vicinity,
- The proposed rezone will not unduly burden the transportation system in the vicinity of the property with significant adverse impacts which cannot be mitigated,
- Whether circumstances have changed substantially since the establishment of the current zoning district to warrant the proposed rezone, and
- The proposed rezone will not adversely affect the health, safety, and general welfare of the citizens of the city.

## Land Use Designation

In addition to Mobile Home Park Zoning, Kent City Code also lists 'mobile home park' as an allowed use.

A property owner can also pursue a land use map amendment (change in use process) to site MHPs; this process (KCC 12.02.050) would require that:

- The amendment will result in development that will not adversely affect the public health, safety, and general welfare; and
- The amendment is based upon new information that was not available at the time of adoption of the Comprehensive Plan, or that circumstances have changed since the adoption of the plan that warrants an amendment to the plan; and
- The amendment will result in long-term benefits to the community as a whole and is in the best interest of the community; and
- The amendment is consistent with other goals and policies of the Comprehensive Plan, and that the amendment will maintain concurrency between the land use, transportation, and capital facilities elements of the plan.

A land use map amendment process is subject to a Process VI legislative action, which goes through the Land Use & Planning Board as a recommendation, with a final decision made by City Council. A rezone process is subject to Process IV, which goes through the Hearing Examiner as a recommendation, and final decision made by City Council (KCC 12.01.040).

## Programs Focused on Improving Home Conditions

There are several home repair programs offered to owners of manufactured housing in the Puget Sound region. Many jurisdictions administer housing repair programs, as referenced in the Resources Options Toolkit, which provide funds and labor to make necessary repairs and upgrades, including modification assistance for senior households and disabled households.

Various financing programs exist to help manufactured homeowners make necessary repairs and upgrades to their homes. Manufactured homeowners do not have the same access to financing for major home improvements that traditional site-built homeowners have. The resources available either require the home to meet the lending requirements of Freddie Mac/Sally Mae or are through public funds that allow use in manufactured housing. Examples of loan programs offered to low income residents of manufactured homes include the King County Manufactured Home Grant program, which offers grants up to \$8,000 for repairs to income-eligible households.<sup>16</sup> Loans are available for the replacement of manufactured homes if a home is not safe and/or inhabitable.

Perhaps dissimilar to apartment housing, many residents of MHPs have significant home maintenance and repair experience and skillsets. Of the many Latinx communities residing in Kent's MHPs, many residents work in the building and construction trades and have the skills and tools necessary to make home repairs and repairs in the community. There is an opportunity to encourage volunteer and sweat equity models such as Habitat for Humanity to implement home improvement efforts in Kent's MHP communities.

Maintenance and upkeep of park infrastructure is at the expense of the property owner. Non-profit property owners may have access to lower cost debt than for-profit owners.

## Enforcement of Existing MHP Regulations and Standards

MHPs are subject to federal, state, and local regulations. Ensuring the preservation of parks in the long term will not require new regulations as much as it would benefit from the enforcement of existing regulations.

Jurisdictions often require standard code enforcement and inspection of property, including manufactured home parks. Property owners/landlords are required under the Manufactured/Mobile Home Landlord/Tenant Act (MHLTA) to maintain parks, including common areas.

[Chapter 12.05](#) of the Kent City Code (Mobile Home Park Zone) lays out certain requirements for enforcement of the MHP zone related to standards, including inspections and maintenance; [Chapter 12.05.220](#) lays out the requirements for landscaping. MHPs in Kent are required to follow standard building, health, and safety codes.

The MHLTA, [RCW 59.20](#), provides landlord responsibilities under a landlord-tenant relationship in an MHP. Related to park conditions, a landlord is required to:

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<sup>16</sup> As of March 2021, to be eligible a resident must earn at or below 50% of the Area Median Income in King County.



- Maintain common areas and keep them reasonably clean; this also includes extermination of pests, if necessary,
- Maintain all utilities and keep roads in good condition, and
- Obey all codes, ordinances, statutes and regulations related to the park

There are other responsibilities related to respecting tenant privacy, notifying tenants upon entry of the lot for inspection, etc. All state board of health rules applicable to the health and safety of MHPs are required to be enforced by the City and/or county. As established by [RCW 59.20.190](#), failure to remedy any violations may result in a fine to the landlord/property owner.

## 7. Resident resources, misaligned owner incentives, and dated infrastructure serve as barriers to needed improvements.

The majority of manufactured housing units and MHPs provide quality housing at price points more affordable than site-built housing that is similarly located and sized. For the housing and parks with maintenance deficiencies and poor conditions, this study highlights three main barriers to improving conditions in parks and housing units. The first is the limited financial resources of homeowners. At the park level, a second barrier to improvements is a lack of owner incentives. The third barrier to park improvements is the comprehensive nature of needed upgrades, given the age of the site layout and infrastructure systems at many MHPs.

### Limited Resources of Homeowners

For housing units with maintenance deficiencies and poor conditions, the primary barrier to improving conditions is the limited financial resources of homeowners. Manufactured homes are disproportionately occupied by older adults compared to other housing types and may have fixed incomes. MHP households tend to have lower incomes than residents of other housing types, estimated at \$50,000 or less per year, as discussed on page 19.

**Exhibit 17** shows HUD’s determinations for income thresholds in King County. MHP residents earning less than \$50,000 per year are considered very low or extremely low income, depending on family size.

Many manufactured homeowners purchase their home with the intention of using them as their retirement locale. Others buy their unit because it is the only type of housing they can afford, and maintenance and upkeep expenditures will be limited to the essential.

**Exhibit 17: FY2021 King County Income Limits by Family Size (\$).**

| FY 2021 Income Limit Category      | 1      | 2      | 3      | 4             | 5      | 6       | 7       | 8       |
|------------------------------------|--------|--------|--------|---------------|--------|---------|---------|---------|
| <b>Low Income Limits (80% MFI)</b> | 63,350 | 72,400 | 81,450 | <b>90,500</b> | 97,750 | 105,000 | 112,250 | 119,500 |

|  |        |        |        |               |        |        |        |        |
|--|--------|--------|--------|---------------|--------|--------|--------|--------|
| <b>Very Low Income Limits (50% MFI)</b>      | 40,500 | 46,300 | 52,100 | <b>57,850</b> | 62,500 | 67,150 | 71,750 | 76,400 |
| <b>Extremely Low Income Limits (30% MFI)</b> | 24,300 | 27,800 | 31,250 | <b>34,700</b> | 37,500 | 40,300 | 43,050 | 45,850 |

MFI = HUD-area median family income. Kent is located in the Seattle-Bellevue WA HUD FMR Area, which includes King and Snohomish Counties.

Sources: HUD, 2021; BERK, 2021.

### Rising Rents

Like other forms of housing, **rent has risen significantly over the last two decades**. Though land rents in MHPs may be more affordable than other housing types, they are also experiencing upward pressure on rents. Drivers of rent increases include limited supply and changing business models.

- **Limited Supply.** There are no new Manufactured Housing Communities in King County, and the limited supply of available lot spaces, coupled with the immobile nature of manufactured homes, reduces the market regulation of prices. Residents do not have the option to move, and landlords do not have to offer competitive incentives to attract tenants, let alone to ensure releasing of the property. Even if the tenant can find less costly housing elsewhere, it would most likely represent leaving home ownership. Without the option to move, homeowners are at the mercy of their landlord.
- **Changing Business Models.** Over the last two decades, many mobile homes went from mom-and-pop ownership to property investors or investor groups focused on increasing land-lease fees.<sup>17</sup> The value of commercial property is based on its productivity, namely the amount of revenue it generates. A property owner can increase the value of his or her asset by simply increasing the space rents. In addition to increasing rents, the landlord may also increase the number of rented spaces by converting common area spaces into leased spaces or adding additional fees such as charging for parking.

Rising rents have the obvious impact of creating more monthly housing costs for homeowners/tenants, but also can represent a shift in equity from the homeowner to the park owner. As space rents rise, the amount a homeowner can sell their home for decreases because people factor in the cost of the rent when considering the purchase of a manufactured home. The increased rent improves the market value of the park but decreases the market value of the manufactured homes.

Unlike apartment rental housing, there is limited information on historical rents, so we are unable to ascertain patterns in space rental prices in Kent. Residents have reported consistent annual rent increases and the addition of extra fees.

A recent study of MHP homeowner concerns in Washington state identified rising rents as a top concern of residents,<sup>18</sup> and many Kent residents reported frustration with rising rents coupled with decreased property management services.

<sup>17</sup> Washington State Department of Commerce. 2020. Manufactured Housing Communities Workgroup Report. Pursuant to ESHB 1582 (2019).

<sup>18</sup> Washington State Department of Commerce. 2020. Manufactured Housing Communities Workgroup Report. Pursuant to ESHB 1582 (2019).

To address rising rents, homeowners favor extended lease terms to ensure communities remain a reliable and stable place to live. Currently, state law requires a minimum of 1-year leases for residents in MHPs, though there are examples of longer-term leases. In addition, collective ownership by residents/homeowners or by non-profits are more likely to maintain affordable rents and provide long-term security of tenure.<sup>19</sup> Landlords may only increase the lot rent at the expiration of the lease term and are not required to justify the amount of rent charged. Tying rent increases to the renewal of the rental contract disincentivizes landlords from offering rental agreements longer than one year.

### Lack of Owner Incentive to Invest

Owners are not always incentivized to invest in park quality. The lack of maintenance overhead required in comparison to the demands of an apartment building is one of the attractive traits of MHPs as an investment opportunity. Owners collect rent from tenants, enjoy land appreciation at the time of sale, and can keep a minimal operating budget.

Park owner intentions vary and can hugely impact the quality of life in MHPs. Some owners prioritize maintaining a park at the higher end of the MHP market, while others prioritize a revenue-maximizing approach and will add as many units as possible onto the site. Evidence of both strategies can be found in Kent's MHP inventory. Parks such as Pantera Lago or Clarks Glen align with the strategy of creating a "lifestyle community" for aging adults.<sup>20</sup> Units are newer, adequately spaced, and community amenities make the MHP a desirable retirement location. The revenue maximizing approach can be identified by signals such as removing park amenities to add additional units, adding and increasing various fees on top of rent payments, and taking a laissez-faire approach to site management.<sup>21</sup> Parks such as Valley Manor and Circle K demonstrate this ownership style.

Of the 18 property owners who completed our owner questionnaire, 15 have one or no improvements planned for the upcoming 5-year window and three owners list plans to sell within the next 5 years. One property (Shafran Mobile Estates) is currently in the process of being sold. See summary of upgrade plans in **Exhibit 18**.

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<sup>19</sup> For example, KCHA rents versus rents in Kent.

<sup>20</sup> [Forbes Real Estate Council](#), 2020.

<sup>21</sup> "What Happens When Investment Firms Acquire Trailer Parks" -[The New Yorker](#), 2021.

**Exhibit 18: Owner Responses About Plans To Upgrade Park Systems In The Next 5 years**

| Management Approach   |                            | <ul style="list-style-type: none"> <li>● Yes, improvements planned</li> <li>- No improvements planned</li> </ul> |       |            |            |       |           |                    |                                      |                        |
|-----------------------|----------------------------|--|-------|------------|------------|-------|-----------|--------------------|--------------------------------------|------------------------|
|                       |                            | Water  | Sewer | Stormwater | Electrical | Roads | Landscape | Laundry facilities | Community or recreational facilities | Other (please specify) |
| Non-Profit            | Paradise MHP               | -  | -     | -          | -          | -     | ●         | -                  | -                                    | -                      |
|                       | Meadows at Bonel           | -  | -     | -          | -          | -     | ●         | ●                  | -                                    | -                      |
| Residents             | Glenbrook Condominium      | ●  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Kenton Firs 2              | no response  |       |            |            |       |           |                    |                                      |                        |
| Self-Managed          | Green Acres MHP            | -  | -     | -          | -          | ●     | -         | -                  | -                                    | -                      |
|                       | Martells Mobile Manor      | ●  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | New Alaska Trailer Park    | -  | -     | -          | -          | -     | -         | -                  | -                                    | ●                      |
|                       | Mar a Vue                  | no response  |       |            |            |       |           |                    |                                      |                        |
| Third Party           | Benson Village Estates     | -  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Soos Creek Estates         | -  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Walnut Grove MHP           | -  | -     | -          | -          | ●     | -         | -                  | -                                    | -                      |
|                       | Horeshoe Acres MHP         | -  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Lake Meridian Estates      | no response  |       |            |            |       |           |                    |                                      |                        |
| Unknown               | West Hill Mobile Manor     | -  | -     | -          | -          | -     | -         | -                  | -                                    | ●                      |
|                       | Shafran Mobile Estates     | no response  |       |            |            |       |           |                    |                                      |                        |
| Vertically Integrated | Maple Lane MHP             | -  | -     | -          | ●          | ●     | ●         | -                  | -                                    | -                      |
|                       | Tip Top RV Park            | -  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Midway Village MHP         | -  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Willo Vista MHP            | ●  | ●     | ●          | ●          | ●     | -         | ●                  | -                                    | ●                      |
|                       | Pantera Nuevo              | -  | -     | -          | -          | -     | ●         | -                  | -                                    | -                      |
|                       | Canyon View Mobile Estates | -  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Clarks Glen Mobile Park    | -  | -     | -          | -          | -     | -         | -                  | -                                    | -                      |
|                       | Pantera Lago Estates       | no response  |       |            |            |       |           |                    |                                      |                        |
|                       | Cascade Villa              | no response  |       |            |            |       |           |                    |                                      |                        |
|                       | Circle K                   | no response  |       |            |            |       |           |                    |                                      |                        |
| Valley Manor          | no response                |  |       |            |            |       |           |                    |                                      |                        |

Notes: ‘Other’ responses include: “As needed”, “The park was built in the 1950’s, I would have to start over”, and “We have been trying for a couple years to repair/replace the infrastructure in this community, yet the answer we receive from the City is that the only way we can replace roads, storm lines, and utilities is to close the community, remove all the homes, and raise the soil level by as much as 3 feet.”

Source: BERK, 2021.

### Inadequate Site Configuration and Insufficiency of Park Systems

The size of manufactured housing has expanded over time, but lot sizes in older parks have not changed. In Kent, the result is that many parks have homes that are larger than the original platting intended which reduces, and sometimes almost completely eliminates, the required separation between units. Additionally, older park designs often lack adequate water capacity and access roads from a fire safety perspective. The solution to this challenge is not simple or easy. Expert interviews discuss the likely solution

to be the removal of all units, platting the site according to the current zoning code, addressing critical infrastructure concerns such as water capacity for fire suppression, and then replacing homes into newer, wider lot sizes. This is possible but comes at a significant cost and disruption to residents and park owners alike. This is discussed specifically by two park owners in their questionnaire responses to planned system upgrades. Ownership from Willo Vista and New Alaska note that they would need to completely remove the homes from their parks to make needed site improvements possible.

Aerial site images demonstrate inadequate site configuration and increased site crowding over time. These photos, shown on the following page, capture the site plan view of Circle K Park in 2009 and again in 2020. Over the decade, many units were replaced with larger homes and open space is replaced with additional unit capacity. These changes demonstrate a common site issue at older MHPs in Kent. The current density of Circle K is 13 units per acre, compared to the maximum 9 units per acre allowed in the MHP zoning code.

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**“We have been trying for a couple of years to repair/replace the infrastructure in this community, yet the answer we receive from the City is that the only way we can replace roads, storm lines, and utilities is to close the community, remove all the homes, and raise the soil level by as much as 3 feet”**

*-Beau Harer, Willo Vista*

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*Circle K MHP –  
Aerial photo from  
2009. Red box  
identifies the  
community park.*

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*Circle K MHP –  
Aerial photo from  
2020. Red boxes  
highlight areas  
where units  
appear to be  
added or  
enlarged. Note  
the loss of  
community park  
and general  
crowding of the  
site.*

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## 8. Kent MHPs located in higher density zones can be sold for other uses. When this happens, residents need supportive services to avoid the worst impacts from displacement.

### Displacement Risk

Though produced elsewhere and sited in the community, manufactured homes are largely immobile once initially placed. Considering homeowners in MHPs lease the underlying land, the added costs of lot rent, which can range from \$575-\$1,100+ (according to resident input) on top of a mortgage, could present a challenge in affordability and ultimately risk of eviction, etc., if tenants cannot keep up with lot rental payments. This is even more challenging if a park owner/landlord decides to sell a property, leaving residents with the burden of finding replacement homes/other parks for placement of their homes if they are moveable.

### Notification Requirements

Landlords are required to notify MHP residents about impending sales/closure of parks, to allow residents time to plan for the movement of their mobile homes and relocation. The MHTLA provides that a landlord must give each homeowner within an MHP at least 12-months written notice regarding their intentions to sell the park, and ultimately close the park. In addition, the landlord must give the Department of Commerce Office of Mobile/Manufactured Housing a copy of the notices and record the notice in the County auditor's office. Landlords must place a copy of the notice at all park entrances and provide relevant information about where to find relocation assistance.

The City of Kent requires landlords to prepare a Relocation Report and Plan. The Plan must show how the landlord intends to comply with the MHTLA and the Mobile Home Relocation Assistance requirement. The Plan must be submitted to the Human Services Office, which must be approved before going forward with the plan to close and/or change the use of land for something other than MHPs. A Park closure and/or comprehensive plan and zoning redesignation cannot go forward without a certificate of completion from the Human Services Office ([Chapter 12.05.340](#)).

### Responsibility of the Homeowner

When a homeowner is notified that a park will close in 12 months, it is the homeowner's responsibility to either move the home or pay to have the home destroyed. The homeowner can move the home to another park or private land or could try to sell the home to someone who will move it to another park or private land. However, in practice, moving the home is rare. First, there is a significant undersupply of space for manufactured homes in manufactured home parks. Second, in many cases the home is too old and not in good enough condition to move. The cost of moving the home (ranging between \$10,000 and \$15,000) may be more than the value of the home itself. If the homeowner cannot move the home, either due to the condition of the home or to a lack of a place to move the home, the homeowner is responsible for disposing of what may be their most valuable equity investment. Displacement from a mobile home park can mean economic ruin and homelessness for a homeowner.

Given the limited options, the homeowner may abandon the home, in which case it becomes the responsibility of the landowner.

## Relocation Assistance to Homeowners

The Washington Department of Commerce runs the state's Manufactured/Mobile Home Relocation Assistance Program. The program is funded by a \$100 fee that manufactured homeowners pay to receive their title. Funds available for relocation assistance are limited to \$7,500 for single-section homes and \$12,000 for multi-section homes. The funding provided has been the same since 2005 and rarely covers all costs associated with relocation. According to Commerce, the reasoning behind maintaining the current allocation of funds is due to the perception that contractors may just raise costs if funding is increased.<sup>22</sup>

Approximately 60% of homes are demolished or disposed of during a park closure, and 30% of homes are relocated to another MHP or to private property. This leaves the vast majority of MHP tenants at parks that are facing closure with having to purchase new homes or find alternative housing options such as affordable apartments. The program offers support for relocation and directs tenants to other services and programs such as legal and advocacy resources.

In 1989, the Washington Supreme Court invalidated a law that required park owners to contribute money toward the homeowners' relocation costs finding that it unduly burdened owners of manufactured home parks. The Court also found that the law, established by the state legislature, violated substantive due process.

## Minimizing Hardships to Residents

Considering many MHP households are financially vulnerable, and many may lack the necessary resources to afford housing outside the context of an MHP, resources related to relocation assistance, financial incentives and grants, and other services are necessary in the event of a park closure. Organizations such as the Tenant's Union of Washington State can provide legal assistance, especially for renters of MHPs. Additionally, the State Attorney General's Office provides mediation and dispute resolution assistance to guide productive negotiations between manufactured housing residents and landlords. More information on these resources can be found in the Resource Options Toolkit.

# Recommendations

Many of the regulations governing manufactured home parks are set at the state level and serve valuable policy goals related to managing population growth, protecting environmental critical areas, and ensuring mobility options. Additionally, much of the landlord-tenant relationship in MHPs is regulated by state law such as through noticing and lease requirements.

Local jurisdictions play an important role in protecting the homeowner, commercial property owner, and resident interests in the community. These roles have an important place in ensuring manufactured home parks remain part of the affordable housing options available in Kent.

The following include recommendations that the City of Kent could pursue to help preserve existing MHPs.

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<sup>22</sup> Interview with Brigid Henderson, Program Manager - Department of Commerce



The study does not address options to encourage the development of new MHPs.<sup>23</sup>

## SUPPORT BEST PRACTICES IN PARK MANAGEMENT

MHP owners and tenant/homeowners both have a financial stake in park quality. For an MHP owner, the value of the park is driven by the net revenues it generates. The value to the homeowners is based on the protection of their home equity as well as the livability of the MHP community (which is manifested in impacts to their housing costs as well as the value of their home). Supporting best practices in park management can improve the long-term livability of MHPs and their preservation in the community.

### Improve access and clarity around the rights and responsibilities of owners and tenants in manufactured home parks

As explained above, tenants of MHPs in Kent face many disadvantages in the landlord-tenant relationship. The City of Kent could mitigate some of these disadvantages by increasing landlord and tenant awareness of their rights and obligations. There are valuable resources available to tenants (see sidebar) but these may be difficult for tenants to find. Indeed, the City may be the first place residents turn to for many of the problems they face. The City could improve access to the available resources for tenants by:

- **Establishing an MHP webpage on the city's website.** Given that the city is a logical first step when encountering neighborhood problems such as disputes over unsafe trees, roaming animals, and utility charges, providing clear and navigable information on where to get assistance would be a benefit to MHPs. The Resource Options Toolkit provides a first step in identifying resources and appropriate contacts for remedying common problems.
- **Translate key materials into needed languages.** The MHLTA and other regulations regarding landlord and tenant rights and obligations are in English. They are also written in a legally sound way that is hard to decipher for people for whom English is their second or third language. Providing a brief overview of the basic tenets of the MHLTA in languages other than English would be a first step. Providing information about important resources in other languages would also help residents find the information they need. Both the [Manufactured Housing Dispute Resolution Program](#) and

## TENANT RESOURCES

The [Northwest Justice Project](#) is a Washington based legal aid program that offers legal services to manufactured home tenants, among many other services. The organization has produced a guide that lays out the protections afforded to residents under RCW 59.20, which include the right to a rental agreement for the rented lot space.

The Washington State Attorney General's Office, provides education and assistance to tenants and landlords through the [Manufactured Housing Dispute Resolution Program](#).

At the advocacy level, groups such as the [Tenant's Union of Washington State](#) offer resources available to renters of both a manufactured homes and the land on which it sits on, as protected through the [Residential Landlord-Tenant Act](#). Several legal service organizations exist at the regional, federal, and national level, that provide legal expertise and education to residents of manufactured home parks, including its most vulnerable residents.

<sup>23</sup> Barriers to development of new MHPs is available in Commerce 2020

[Northwest Justice Project](#) provide interpretation services and translated materials regarding state law.

- **Work with the Attorney General's office to conduct tenant information sessions.** As part of the [Manufactured Housing Dispute Resolution Program](#), the AG's office is charged with providing outreach and information about the requirement of the MHLTA and its mediation services. They typically hold information sessions for tenants, but these have been canceled since 2020 due to the coronavirus pandemic. If the City is hearing about multiple problems and concerns for any given park, it could help facilitate an information session by the AG's office for park residents.
- **Prevent code violations through improved case making, clarity, and dissemination of requirements.** A comprehensive 2019 assessment of Circle K MHP found that more than half of units had structural and/or electrical alterations that should have been permitted and inspected by Labor & Industries FAS program.<sup>24</sup> It is possible that some of homeowners who made these modifications were aware of the requirements for permits and chose not to follow them, but many were just as likely to not know the requirements existed. Property managers may know that some modifications require a permit, but not know what the requirements are. Developing and disseminating clear statements of the requirements to both the park managers (on-site) as well as tenants would help inform residents about the requirements and clarify the role of the City and L&I as regulators of manufactured home standards. Information should include descriptions of:
  - **Purpose.** As explained above, the resale value of the home may be less of a motivating factor for manufactured homeowners than site-built homes. It may increase compliance if the safety risks were more clearly explained, such as ensuring carports can withstand the weight of snow.
  - **Process.** Many MHP residents simply do not know how to go about getting a permit or have heard anecdotal stories of delayed or denied permits. These factors may encourage manufactured homeowners to proceed without procuring a permit, opting to ask for forgiveness rather than permission. Clarifying the process upfront could dispel any myths about permitting and make the process seem less intimidating.
  - **Cost.** Many manufactured homeowners may assume that permits are cost-prohibitive.
  - **Consequences/risks for non-compliance.** Like other types of housing, homeowners make cost/risk/benefit decisions about making home modifications. Illegal, unsafe home additions are not restricted to manufactured housing and occur in all types of housing. To encourage homeowners to engage the city's permitting department before making alterations, it would help to communicate the risks of not doing so.
- **Clarify the role of property management.** Some lease agreements require tenants to get written permission before starting a home improvement project. Others don't want to know if tenants in their park are doing a home improvement project. Working with MHP experts such as the MHDRP program and LNI FAS, it would help to clarify the desired process and role of MHP owners and managers with regards to home improvements. Some property managers report providing residents guidance on what home modifications require a city permit and which do not. This is helpful to

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<sup>24</sup> Letter from Chris Rarig, LNI FAS, to Russ Millard, owner of Circle K, June 3, 2019.

preventing unsafe home modifications in the community, though it is not the obligation of property managers to educate residents about the City's regulations.

## PROTECT TENANT'S RIGHTS AND MANUFACTURED HOMEOWNER EQUITY

Property laws serve to protect the interests of MHP landowners, but outside of procedural rights, there are limited protections for manufactured homeowners. Through its land use decisions, the City can create negative impacts to the equity interest of manufactured homeowners.

There are a number of conditions in Kent, reviewed in the findings, that lead to this dynamic. First, manufactured homes are largely immobile. Second, the value of a manufactured home is dependent on the quality of the MHP in which it is located. When park conditions deteriorate, the value of the homes also deteriorates. Third, the profitability of a MHP for the landlord is not dependent on park conditions. Since manufactured homeowners in MHPs are essentially a captured market, the landowner can increase rents and decrease services without incurring new vacancies. This is driven by the fourth factor; even if their home can be moved, there are extremely limited options for homeowners to move their home. Finally, fifth, the current affordable housing crisis ensures there is ample demand for housing.

In apartments, typically poor conditions and rising rents lead to increased vacancies and tenant turnover, both resulting in increased costs and reduced revenues for the apartment owner. These two risks to the MHP owners are essentially non-existent in manufactured home parks in Kent. The result is that park owners are incentivized to increase revenues and decrease costs to improve the profitability and the commercial value of the property.<sup>25</sup> Revenues can be increased by raising rents on existing lots, adding additional rented lots onto the site, or by converting open space to rentable lots. These last two mechanisms for increasing park revenue are regulated by the City.

- **Consider impacts to manufactured homeowner equity when making land use decisions.** Each MHP should have an approved site plan on file with the City. When a park owner seeks to modify the site plan of the MHP it requires an application and review by the City. Just as the City serves to protect the equity interest of owners in site-built housing, when considering land use change requests, the City should consider impacts to manufactured homeowner equity. When the modification removes common space or community amenities, requests could be made to make substitutable space available on the site. Improved noticing and outreach to residents could help them take advantage of the procedural protections that they are entitled to through the City's public hearing and legislative processes.
- **Require improvements to address crowding.** When permitting the siting of a manufactured home onto an existing lot, the City evaluates whether the setbacks meet the City's standards. However, there is evidence that older, smaller homes are being replaced with larger homes without the City's knowledge, thus encroaching on the required setbacks. Old site layouts may prevent adequate spacing of new manufactured homes. In these cases, the City could require a suitable remedy to fire risk such as a fire wall. A fire wall would be considered a permanent addition to the park infrastructure and the responsibility of the park owner.

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<sup>25</sup> All property owners are different and maximizing profitability is not the paramount factor for all, or even most, of MHP owners. Many MHP owners are interested in community stability and the livability of their parks.

These two examples address future changes to park conditions, but do not begin to address existing deficiencies. They also require a robust enforcement system to ensure parks remain aligned to their approved site plans.

## ENCOURAGE MHP HOMEOWNER PARTICIPATION IN HOME REPAIR PROGRAMS

In conducting resident outreach, we received positive feedback on the City's home repair program, particularly among older adults with emerging mobility concerns. The home repair model is a good fit for residents of MHPs, but many may not be aware of the program or their eligibility as a manufactured homeowner.

- **Increase and target outreach to MHPs.** Outreach to MHPs may increase manufactured homeowner participation in the program. Kent's Home Repair Program requires participating homes to meet current safety standards, and thus is more likely to be suitable for homes newer than 1976, the start of modern federal safety regulations. Targeting outreach to parks with homes built after 1976 would be appropriate.

Given the close proximity of MHP homes, as well as the similar vintage of homes in some parks, there may be an opportunity for making multiple improvements in a park at one time, thus reducing administrative and mobilization costs for each home. Improvements to entryways and home access may be well suited to this approach.

## IMPLEMENT A ROLLING INSPECTION PROGRAM

Relying on resident-reported complaints is not an effective method for managing conditions at MHPs. Fear of retribution from landlords, distrust of public authorities, and frustration from previous interactions are some reasons that residents are unlikely to report inappropriate management behavior or unsafe conditions. An inspection program would improve the preservation likelihood of MHPs by ensuring park conditions meet established city and state guidelines for health, safety, and quality of life.

The City of Kent recognizes the challenge of landlord/tenant dynamics for its apartment dwellers and implemented a proactive rental inspection program that monitors health and safety conditions across all rental units in the city. The program started in 2019 and it leverages fines through code enforcement and the issuance of an annual business license as its primary tools for enforcement. Property owners are responsible for hiring an inspector and completing the inspection within the allotted timeframe. When a building or unit falls out of compliance with the program standards, the building department is notified of the violation and a series of notices and fines can be applied to the property owner. If the issue is not addressed, the owner's business license will be revoked at the end of the year and the unit will not be a permitted rental in the city.<sup>26</sup>

Most residents of Kent's MHPs live in owner-occupied housing,<sup>27</sup> so many of the components of Kent's Rental Inspection Program do not fit the conditions of MHPs. Rather than adding MHPs to the existing program, a version of the program can be developed to address the conditions of MHPs that are the purview of the property owner.

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<sup>26</sup> [Kent Rental Inspection Program](#)

<sup>27</sup> The study did not include a comprehensive assessment of tenancy in MHPs, but the only parks with reported renter occupied MHPs include Mar a Vue and New Alaska Trailer Park.

California has a statewide program to regulate its MHPs that can help inform the development of an approach in Kent. While the inspection system does not collect fees, violations are issued to park owners if site conditions fall out of compliance with established standards. Failure to respond to the violations results in revoking the permit to operate. This means that the park owner cannot legally collect rental payments and signage is posted in the park informing residents of this status. The end action with a canceled permit is that the land use can be reverted to a non-MHP designation. Local police power could be used to enforce this change.<sup>28</sup>

In developing an ongoing inspection system, **include MHP residents in the program development** as well as other stakeholders such as non-profit MHP owners and for-profit MHP owners. Many of the life and safety risk code violations in MHPs are alterations made to the home and are thus the responsibility of the homeowner. As a result, an MHP inspection program can lead to citations and impose hardship on MHP residents. The City should work with stakeholders to establish clarity around the role of the inspection system in terms of improving the long-term preservation and safety of MHPs. The Resource Options Toolkit lists additional professional associations and tenants' groups that can be consulted.

### Establish an Effective Enforcement System for MHPs

An inspection system will not improve the long-term preservation of MHPs if it only generates citations without effective follow up and accountability to ensure improved MHP conditions. Even in site-built housing and commercial property, there are limited mechanisms for ensuring code violations are remedied. One mechanism of accountability for most real estate are requirements for financing that can impact the market value of the asset. Converting an apartment manager's office into an unpermitted home rental will increase the revenue of an apartment building, but that revenue will not be counted in the appraised value of the building for purposes of financing (either refinancing to release capital for other investments or financing for the purchase of the property). If the property owner wishes to maximize the value of the asset, they are motivated to procure the necessary permits. Since MHP owners do not own many of the improvements on their land, and the value of MHPs tends to be in the land itself and not the use or improvements, there may be less motivation to seek appropriate permits.

For MHPs, the overlapping landowner and homeowner interests and overlapping federal, state, and city regulations have created confusion over regulatory authority and responsibility. The insular nature of many MHP communities, distrust of government, and the belief that city governments are an antagonist of MHP housing prevent MHP tenants and manufactured homeowners from calling on their local cities for assistance. Some landowners have benefited from these grey areas, reducing the services and amenities in the parks while increasing rents.

The proactive nature of Kent's Rental Inspection Program can improve voluntary compliance with building codes and over time improve or preserve the quality of rental housing available in Kent. A program addressing the same policy goal could improve the preservation of MHPs in Kent. MHPs that meet this study's designation of "needs improvement" would benefit from proactive review and outreach to park owners and residents. Current conditions observed in some parks suggest that *lack of enforcement* is a greater challenge than a lack of regulation.

A significant challenge of increasing building code and land use policy enforcement is that many MHPs in Kent have a staggering amount of code violations and potential life and safety risk. There is a question

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<sup>28</sup> California [Mobile Home Park Maintenance Inspection Program](#) and [Local Enforcement Agencies](#)

of “where do you start?”. It will be difficult to design a perfect system and roll it out all at once. The City may consider starting with an initiative around a specific policy objective such as fire risk, flood risk, pest management, or another topic. Other options include starting with parks designated for older adults or parks in a specific geographic area.

## IMPROVE MUNICIPAL SERVICES

Park residents and site managers share many concerns with communities comprised of site-built housing and apartment housing. Concerns such as homeless people camping in adjacent areas, property crime, garbage dumping, stray dogs, and other issues were reported by residents and on-site managers. Residents and property managers shared that they have called the police or the City, but that no one came, leaving them to feel that the City is unconcerned with safety and security in its MHPs. Improving response and follow-up to service calls can improve park conditions and the sense of residents as valued members of the community.

## REDUCE HARDSHIP TO RESIDENTS WHEN PARKS CLOSE

Closing MHPs can result in economic devastation for resident homeowners. Both Washington State and the City of Kent provide procedural protections for resident homeowners when parks close, but there are limited financial resources or supports.

The state’s relocation assistance program, which is funded by manufactured homeowners, is insufficient to cover the costs incurred when a manufactured homeowner is forced to move due to the closing of a park. State legislative efforts to require landowners to cover some or all relocation costs have been struck down by the Supreme Court because it puts an undue burden on one type of residential property owner and not others.

The Department of Commerce provides technical assistance and support for residents of closing MHPs, often working closely with the local jurisdiction. Other options for reducing hardships to residents include:

- Augment relocation assistance administered by the Department of Commerce in a way that benefits the homeowner.
- Waive fees for residents moving their home into a park in Kent if they have been displaced due to a closing park.
- Waive fees for replacing homes on private land within Kent for residents.

## SUPPORT RESIDENT, NON-PROFIT, OR LOCAL PHA PURCHASE OF MANUFACTURED HOME PARKS

Second to zoning, the most powerful way to preserve MHPs is to convert the ownership to a tenant or non-profit owned community. Resident or non-profit purchase of MHPs offers a lot of benefits to residents. These can include giving homeowners the ability to maintain or upgrade their community’s infrastructure, stabilize rent increases, and protect against abuses that can occur in a landlord/tenant relationship.<sup>29</sup> In addition, non-profit-owned communities may qualify for funding and financing opportunities for

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<sup>29</sup> IMLC Assessing Public Resources

acquisition and park infrastructure that privately owned parks do not.

Successful conversions of MHPs from private ownership to tenant-ownership or non-profit ownership often require technical assistance, public support through access to funding and/or financing, and other non-tangible forms of support. The Resource Options Toolkit provides an overview of some of the locally available resources.

The City cannot require a landlord to sell an MHP to a tenants' group or non-profit. In 2000, the Washington legislature enacted a law that "gives mobile home park tenants a right of first refusal when the park owner decides to sell a mobile home park." The Washington Supreme Court invalidated that law stating that the statutory grant of a right of first refusal to the tenants of mobile home parks amounts to a taking and transfer of private property. The right of disposition, or the right of transfer to other persons, and the right of transmission, are *fundamental rights of ownership*.

The City can *encourage* and *support* the sale of MHPs to tenant or non-profit groups.<sup>30</sup> Some options the City could pursue include:

- **Identify MHPs that are suitable for alternative ownership models.** A first step in this process would be to evaluate which parks in Kent would be good candidates for conversion to alternative ownership models. Factors such as underlying land use, flood plain status, park size, park conditions, and the income of residents are all relevant factors.
- **Fund predevelopment studies.** Consider funding some of the predevelopment costs that would enable non-profits or resident groups to purchase their communities. These include site surveys, appraisals, engineering analyses, and environmental reports.
- **Make benefits to landowners known.** The state offers an incentive to sell to residents or non-profits in the form of an exemption from the state portion of the real estate excise tax.
- **Incentivize the sale to residents or nonprofit groups.** The City could consider making MHP owners exempt from the local share of the real estate excise tax in exchange for selling their community to a nonprofit, HOA, public entity, or the homeowner residents.
- **Outreach to property owners and referral to partners.** The first prerequisite for converting an MHP into an alternative form of ownership is that the owner wishes to sell. Rarely are residents successful in approaching the owner on their own and making an offer to purchase. Through its business service role with the landowners, the City may be in a position to learn that a property owner wishes to sell and can notify relevant non-profits such as the Manufactured Home Community Preservationists, public agencies such as the King County Housing Authority, or technical experts on resident-owned communities such as Northwest Cooperative Development Center, or the Washington State Department of Commerce.

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<sup>30</sup> Not all MHPs are suitable for conversion to tenant- or non-profit- ownership. In general, it is unfeasible for MHPs with fewer than 25 units (due to land costs) and the residents must be able to afford the monthly costs to finance the land.