

'Misleading but Accurate' Affordable Housing Claims? Lesli Gooch, Ph.D., CEO of Manufactured Housing Institute as "Top 100 Lobbyist" – Media Agenda, Regulatory, Scandals, Paltering, and Op-Ed Fact Check

The Hill recently fueled a housing industry controversy by naming Lesli Gooch, Ph.D. and CEO of the Manufactured Housing Institute (MHI) as [one of Washington D.C.'s top 100 lobbyists](#). Really? What were the bases for their assertion? Given the raging affordable housing crisis and [manufactured housing's apparent](#) and [documented underperformance](#), these are \$64 billion dollar questions within the industry that potentially have trillions of dollars in U.S. housing market ramifications.

Facts and evidence should matter. The metrics for this fact-check and analysis of the Hill's claim of Gooch as being one of the top 100 lobbyists will be simple.

- Compare declarations by MHI's and Gooch's stated goals versus the trade group's actual outcomes.
- Reviewing MHI goals vs. actual outcomes reveal a complete disconnect. A brief survey from recent media and formal MHI comments letter by Gooch cited herein demonstrates that point.
- What follows will also serve to explain why the affordable housing crisis is raging. Because [Lawrence Yun with the National Association of Realtors](#) said only more housing production will solve the affordable housing crisis.

The [Washington Post's Beth DeCarbo](#) said on 9.9.2021 that: "The [Manufactured Housing] institute touts manufactured homes as one solution to the shortage of affordable housing, and it lobbies policymakers to address restrictive zoning practices that make it difficult for some buyers to find land for their unit. "While localities may not admit they're keeping us out, they have rules that affect manufactured homes," Gooch said." Surely, *The Hill* was aware of that report?

If so, did those at *The Hill* responsible for their top 100 lobbyist selection stop to think about how that one paragraph blows up the notion that Gooch is a successful lobbyist?

- After all, how can MHI tout manufactured housing as a solution for the shortage of affordable housing while admitting that localities are successfully keeping manufactured homes out?

On 9.7.2021 [Gooch said via HousingWire](#): "MHI has documented with dozens of examples in recent comment letters, NIMBYism with respect to manufactured homes is unfortunately alive and well in many local communities." True enough.

Gooch, in [her op-ed via HousingWire](#), admits financing woes and zoning/placement issues hamper manufactured housing. She further stated that there are existing laws requiring various federal agencies to provide specific support for manufactured housing that are not being enforced.

- To be clear, based on the evidence, Gooch is arguably correct on that claim.
- But given that reality, that is once more an admission that MHI has failed to get existing laws enforced. On what planet does failure to get favorable existing laws enforced make Gooch a top 100 lobbyist?

There is a surprising answer to that question, but in fairness, more evidence is warranted.

[Gooch said](#) "A 2000 law created what is called preemption or supremacy, which states that when HUD manufactured housing construction and safety standards are in effect, a locality does not have authority to establish different standards. The statute requires this provision to be "broadly and liberally construed." Once more, there are industry voices that concur with her statement. But they do so with

more specificity than Gooch used. Why didn't Gooch name that 2000 law, for the benefit of the media, researchers, housing advocates, and elected and appointed officials?

- She was referring to the [Manufactured Housing Improvement Act](#) (MHIA).

Keep in mind that affordable housing and manufactured home advocacy didn't begin in 2021 with the dawn of the Biden Administration. Gooch knows prior [HUD Secretary Ben Carson praised manufactured housing](#). Carson pledged a new era of cooperation with manufactured housing as part of a broader plan to solve affordable housing and social equity in wealth creation for people of modest means.

Just a few weeks after Dr. Carson's positive statements and commitments, on [7.19.2019 Gooch addressed a letter on MHI's behalf to HUD Secretary Ben Carson in response to HUD Docket No. FR-6141-N-04](#). Gooch said in part:

"4.) HUD Must Implement and Enforce its Enhanced Preemption Authority

MHI Proposes that HUD shall issue a revised and updated policy statement regarding the Department's position concerning preemption and state and local zoning, planning, or development restrictions that either severely limit or outright prohibit manufactured housing."

- Again, true enough. But why is there no evidence that Gooch or anyone with MHI pressed Dr. Carson *in person* on manufactured housing's federal preemption?
- Why is there no known evidence of any reply from HUD or Dr. Carson on Gooch's request for MHI of 7.19.2019?

On 2.1.2012 Cavco Industries Manuel Santana, on MHI's behalf, addressed the [Hearing on Implementation of the Manufactured Housing Improvement Act \[MHIA\] of 2000](#). Note again that Gooch alluded to the MHIA with *HousingWire*, admitting the enhanced federal preemption provision "statute requires this provision to be "[broadly and liberally construed](#)."

With that in mind, Santana said: "HUD has failed manufactured housing," asserting the MHIA's "enhanced preemption" was not properly enforced, [as did several others who testified](#).

- In what sense did Gooch earn top lobbyist status on zoning when MHI and Gooch have repeatedly said that the MHIA and "enhanced preemption" are not being properly enforced *decades* after enactment?

Next, Gooch [told HousingWire](#) "Fannie Mae and Freddie Mac have a statutory "Duty to Serve" (DTS) manufactured housing" that "Unfortunately, their preliminary DTS plans actually call for a decrease in loan purchases of real estate manufactured homes." She said: "since chattel loans (home-only manufactured homes) make up 75% of new manufactured homes, it is critical that Fannie and Freddie DTS plans have a strong chattel loan component."

[Five years ago, Gooch](#) disputed CFED's (since rebranded Prosperity Now) [Doug Ryan troubling assertions in AmericanBanker](#). Ryan claimed [MHI was thwarting the DTS mandate to benefit Clayton Homes' profitable lending](#). Bear in mind that the Housing and Economic Recovery Act of 2008 ([HERA](#)) [made DTS law](#).

Some 6 years later, Prosperity Now, several MHI members, and others wrote FHFA to ensure that Fannie and Freddie properly implemented DTS via competitive home-only or 'chattel' lending. [MHI failed to sign onto that 10.20.2021 request](#).

Gooch admitted [FHFA and the GSEs failed to enforce DTS](#). But by failing to even sign onto a letter that some of her own members supported to get the 2008 DTS mandate enforced, Gooch de facto [demonstrated what Ryan alleged](#).

Restated, Gooch and MHI seem to fit the [classic definition of paltering](#).

- So, in what sense did Gooch earn top lobbyist status for failing to achieve enforcement of laws that have existed for 13 years to two-plus decades?
- Hold those thoughts because a surprising answer is coming.

Former MHI VP, MHARR founding CEO, and [RV/MH Hall of Famer Danny Ghorbani](#) sarcastically said MHI does well on promoting photo ops with public officials, but is "bereft" on delivering "[tangible results](#)."

Manufactured Housing Association for Regulatory Reform (MHARR) President and CEO [Mark Weiss](#), J.D., has [repeatedly alleged that MHI is posturing](#) without [preforming](#).

For outsiders looking in, MHI is several times the size of MHARR. Further, MHARR is a producers' trade group, while MHI says they serve "all segments" of manufactured housing, both production and post-production.

- Zoning, placement, finance – these are *post-production* issues that fall into MHI's bucket of self-asserted responsibility.

So, how is Gooch delivering as an MHI lobbyist? For the startling answer, someone should dive into [Samuel Strommen with Knudson Law's well-documented allegations about MHI and their dominating brands](#).

"The Manufactured Housing Institute acts not only as the public mouthpiece of the Big 3 [i.e. Clayton Homes, Skyline Champion, Cavco Industries] manufacturers (in the name of the industry) but also appears to act directly on its behalf in its various lobbying endeavors⁹⁵."

[Strommen "submits that the MHI's conduct in obfuscation of judicious decision](#) making by the [FHFA and HUD] constitutes a conspiracy to restrain trade under Section 1 of the Sherman Act, and by virtue of the misrepresentative nature of the conduct, [MHI] should not be afforded *Noerr* protection." Ouch.

Ryan's *AmericanBanker* column made a complimentary claim: "[Time to End the Monopoly Over Manufactured Housing](#)."

MHI award-winner [Marty Lavin said](#): "So the association [MHI] is not there for the "industry," unless the interests of the Big Boys join the industry's."

When [statements by publicly-traded "Big Boy" firms that are MHI members are examined](#), a common refrain is they want to "consolidate" via "acquisitions" a "fragmented" industry.

Before pressing the claim by various voices that MHI is working for consolidation and monopolization by a few dominating brands, in fairness, [MHI has an antitrust statement](#).

But objectively, [Berkshire Hathaway, MHI, and their inside/outside representatives have repeatedly declined to publicly discuss or respond](#) to evidence-based claims involving MHI and their key members. They won't respond to what Strommen says is evidence of "felony" antitrust violations.

[MHARR](#) has repeatedly said Congress and federal officials need to investigate how good laws languish 13 to 21 years after they were enacted.

As was noted, [Congress probed](#) the failure to get the Manufactured Housing Improvement Act properly implemented in [2011-2012](#) with respect to [HUD](#). But since then, evidence has emerged from [publicly-traded firms that consolidation](#) is the unstated MHI goal.

Even the [SEC suit against Cavco, which includes MHI's former chairman, obliquely points toward consolidation](#).

So, perhaps *The Hill* should have clarified what metrics were used for awarding Gooch top-lobbyist recognition? Don't statements shown herein reflect how Gooch and MHI merit Gooch the surprising [paltering-for-consolidators award](#)?

After all, how many manufactured home independents would be MHI members if they openly stated that their actual goal is oligopoly-style monopolization of the industry? Because even [Kevin Clayton](#) told [Congress that dramatic business failures](#) – and consolidation - occurred due to failure to get the MHIA and DTS laws enforced.

Before discounting these concerns as merely [conspiratorial or outliers, bear in mind the bookend research by Minneapolis Federal Reserve experts](#). James A Schmitz Jr, Mark J. Wright, David Fettig, other researchers and economists such as Arilton Teixeira and [James Cochran](#) repeatedly made the point that **"Solving the Housing Crisis will Require Fighting Monopolies"** and that ["Monopolies Inflict Great Harm on Low- and Middle-Income Americans"](#). They approach the troubling evidence and claims of monopolization in manufactured housing differently than Strommen and Ryan. But their evidence and research also specifically asserted that manufactured housing is being deliberately and negatively "sabotaged" by HUD, builders, and nonprofit advocacy. Given the evidence linked herein, are Schmitz and his colleagues' claims sounding familiar?

When Gooch and MHI were asked to weigh in on a zoning/placement issue in Ayden, NC, local [media and Mayor Pro-Tem Ivory Mewborn](#) there specifically stated MHI didn't bother to respond.

For 50 years, [per HUD's Pamela Blumenthal and Regina Gray](#), regardless of Democratic or Republican administrations, [the issues causing the lack of affordable housing crisis have been known to trace back to zoning and other regulatory barriers](#). That HUD admission merits Congressional and other federal inquiries. How is it possible that 5 decades of HUD programs – when the solutions are known - have failed to substantively change the U.S. housing landscape?

Let's sum up while revealing the harsh consequences of the status quo.

- A widely bipartisan group of lawmakers enacted both HERA 2008 and its Duty to Serve (DTS) Manufactured Housing and the MHIA and its "enhanced preemption" as tools to create a pathway to more affordable homeownership.
- The MHIA and DTS were designed to increase homeownership.
- MHI and Gooch have periodically admitted those points.
- But the [facts reveal that the national rate of homeownership has declined](#) since the MHIA was enacted.
- [Dozens of nations](#) that often have far lower per-capita income have [a higher rate of homeownership than the U.S.](#)
- This isn't a coincidence, according the [logic of the late Senator William Proxmire](#).
- Rather, this suggests serious levels of either incompetence or corruption.
- The time for Congress and other [public officials](#) to seriously explore these evidence-based concerns with subpoena power is long overdue.

- “Felony” monopolization, as [Strommen alleges](#) with evidence point to [MHI and their dominating brands](#). Under the Sherman Act, his allegations [carry stiff fines and up to 10 years in prison, upon conviction and potentially millions in fines](#).
- Hopefully this fact-based analysis will spark interest by mainstream media, authentic (vs. ersatz) advocates, public officials, and others to [realize that several multi-billion to multi-trillion dollar scandals have already occurred in the 21st century alone](#).

When [HUD’s Blumenthal and Gray](#) admit that 5 decades of posturing without performance has occurred with respect to affordable housing, why should anyone be surprised that this is taking place with manufactured housing?

Evidence-based concerns have been raised from [within and beyond manufactured housing](#). These include [fact-based allegations raised with Gooch present](#). One would think that if [MHI and their dominating brands](#) could debunk the concerns cited herein they would have done so.

So, the bottom line about Gooch’s award from the Hill for being a top lobbyist? How about the paltering and posturing for consolidators lobbying award? ##

L. A. “Tony” [Kovach](#)

Kovach is the co-founder of MHPProNews and MHLivingNews, and is the winner of numerous awards in history, including the Lottinville Award from the University of Oklahoma.