



Affordable Housing Redevelopment Displacement Mitigation Strategy

City of Fort Collins In Association with Clarion Associates and National Manufactured Home Owners Association

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Affordable Housing Redevelopment Displacement Mitigation Strategy

I. INTRODUCTION / DEFINING THE ISSUE

Affordable rental units and mobile home parks are two important sources of housing for lower income working families, seniors, and people with disabilities living in Fort Collins. While redevelopment of older or underutilized properties for higher intensity uses is part of a healthy urban economy (and supported by *City Plan*, the City of Fort Collins' comprehensive plan), redevelopment of affordable rental units and mobile home parks can create unusual hardships if the residents cannot afford to pay to move their units or belongings or cannot find affordable replacement housing.

Affordable multi-family rental units are the more common form of lower-income housing, and Fort Collins has several programs in place to acquire, manage, and preserve apartment buildings on a non-profit basis in order to keep rents at affordable levels. In addition, some for-profit apartment projects have received Low Income Housing Tax Credits (LIHTC) in return for commitments to maintain affordable rents in at least some of the units. Data on these projects provides a snapshot of the city's current supply of committed affordable rental units, and a possible focus for efforts to protect these units or mitigate impacts on their tenants if they are redeveloped. However, many renters live in for-profit apartment complexes that have not used LIHTC and are not managed with a specific intent to preserve affordability (in other words, units are rented at market rates, which may or may not be affordable to low-income residents). This strategic plan addresses mitigation strategies for low-income residents in those market rate rental complexes in Recommendations 1, 2, 4, and 7 below.

Another form of housing that provides opportunities for lower income household is mobile/manufactured homes. Some residents rent while others own their mobile/manufactured homes. Mobile/manufactured homeowners are in a unique situation because they are both homeowners (because they own their individual home) and tenants (because they do not own the land on which their home is located). Typically, the decision of a mobile home park owner to close the park and/or redevelop it for other uses is made without the involvement of the mobile/manufactured home owners. Unlike an apartment tenant whose lease expires or is terminated, a mobile/manufactured home owner must not only move their personal belongings, but must also move the house itself or find another form of replacement housing (e.g., a rental apartment, a townhouse/condo affordable for purchase, etc.). This situation is complicated by three factors:

- Some mobile/manufactured homes are worth so little that it is not cost-effective to move them;
- Some mobile/manufactured homes are so old that they would not withstand a relocation because of likely structural damage during the move; and
- Some local governments (but not the City of Fort Collins) and some mobile home park communities prohibit the siting of mobile homes constructed before 1976 because they predate federal safety standards, which may leave the mobile home owner with no viable

place to move the unit. In Fort Collins, all mobile homes are inspected when they are set. The State requires a foundation set inspection and the City will release utilities only after the State inspection approval.

For a variety of reasons, the Fort Collins community has seen the closure of several mobile home parks that displaced park residents. The following table provides a list of park closures and the reasons for those closures.

Park Name	Reason for Closure		
Pioneer Mobile Home Park	Commercial redevelopment		
Johnson Mobile Home Park	Natural flood disaster		
Dry Creek Mobile Home Park	Property subdivided into single- family lots		
Grape Street	Commercial redevelopment		
Bender Mobile Home Park	Residential redevelopment		

In all of these cases, City staff provided support and collaborated with other agencies, such as the Fort Collins Housing Authority, Federal Emergency Management Association (FEMA), Neighbor-to Neighbor, the Colorado Department of Local Affairs, and the U.S. Department of Housing and Urban Development, to relocate or find other types of replacement housing for park residents. However, the City's involvement was different in each case. The City followed an ad hoc, case-by-case approach to mitigate the impacts of each situation. This strategic plan addresses mitigation strategies for residents of mobile/manufactured home parks in recommendations 1 through 7 below.

The City Council placed the development of an "Affordable Housing Relocation Strategic Plan" on their 2012 Work Plan. The purpose of the strategic plan is to develop City policies and requirements applicable to redevelopment projects by defining the City's role, responsibilities, obligations, and involvement in redevelopment projects that cause the displacement of low-income people from their homes (with an emphasis on mobile home parks), whether they are located inside the City limits or within the Growth Management Area (GMA), within the restrictions of the City Charter. The strategic plan establishes policies and procedures for the next time redevelopment causes displacement of residents of affordable housing, and also sets forth strategies to preserve existing affordable housing.

Throughout this document, the following definitions are used to describe several key terms:

• *"Mobile home"* means a factory built and transportable dwelling unit constructed before June 15, 1976 – the date that the federal Manufactured Home Act became effective and required that all manufactured homes meet federal safety standards.

- *"Manufactured home"* means a factory built and transportable dwelling unit that was constructed after June 15, 1976 to meet the standards of that Act.
- *"Mobile/Manufactured home"* means a factory built and transportable dwelling unit regardless of the date when it was manufactured.
- *"Mobile home park"* means a residential area containing manufactured homes, mobile homes, or both, and in which at least some of those homes are owned by individuals other than the mobile home park owner. If the mobile home park owner also owns all of the individual mobile/manufactured homes and rents them to others, the tenants are in the same situation as apartment renters, because they have not invested to purchase the mobile/manufactured home and are not responsible for moving it upon park closure.¹
- *Affordable housing* means a dwelling unit that is available for rent or ownership on terms that would be affordable to households earning 80% or less of the median income of city residents, adjusted for family size, and paying either (a) for a renter, less than 30% percent of gross income for total housing costs, including rent and utilities, or (b) for an owner, less than 38% of gross income for total housing costs, including principal, interest, taxes, insurance, utilities, and homeowners' association fees.

Two additional facts are important to note.

<u>First</u>, under Colorado law, a mobile or manufactured home that is installed on a permanent foundation becomes both "real estate" (for taxation purposes), and a "single family home" (for zoning purposes). So, for example, the Sunflower retirement community located on the south side of East Mulberry Street, east of Interstate 25 is not technically a mobile home park but a single family residential subdivision with lots designed to accommodate manufactured housing units.

<u>Second</u>, despite their name, most mobile and manufactured homes are not very mobile. Although designed for transport from the factory to a residential lot, most mobile and manufactured homes never move from the lot where they are originally installed. Many modern zoning and building codes encourage this result by requiring removal of wheels or tongues and by requiring skirting, anchoring, and semi-permanent utility hookups, all of which make it less likely that the unit will be moved in the future.

¹ The use of these definitions will generally parallel those used in Colorado Revised Statutes as they relate to land use law. Although Colorado law includes several different definitions for these terms (including those in CRS 5-1-301 (29), 24-32-3302(13) and (24), 38-12-201.5 (2), 38-29-102 (6), 42-1-102 (106) (b)), many of those definitions concern matters unrelated to land use and housing, such as the homestead tax exemption, regulation of security deposits, or the allocation of regulatory powers between state agencies.

II. EXECUTIVE SUMMARY

As detailed in the City of Fort Collins' *Affordable Housing Strategic Plan*, affordable rental units (apartments and homes), mobile homes (pre-1976), and manufactured homes (1976 and later, which meet HUD safety standards) provide important sources of affordable housing in Fort Collins and Larimer County. When affordable residential units are lost, they compound the difficulty of meeting the City's affordable housing needs.

Many of the existing affordable units are located in mobile home parks, which raise challenges when mobile home parks are redeveloped for other uses. Mobile/manufactured home owners own their homes but rent the spaces where they are located. When mobile home parks close, residents need to move their homes to other locations, which is complicated by the fact that many homes are old and difficult to move and spaces in mobile home parks are often in short supply (particularly for older homes). If the mobile/manufactured home cannot be moved, the owner faces the loss of not just a place to live but an asset that they have purchased. In recent years, Fort Collins has experienced several mobile home park closures, has been asked to assist in relocating residents, and has done so on an ad-hoc basis. This document sets a strategic policy direction for the City to address these issues in a more consistent way in the future.

This strategic plan recommends that Fort Collins take the following seven steps to address these issues, each of which is described in more detail in the pages that follow.

- 1. Continue to expand the inventory of "designated affordable" dwelling units, buildings, and complexes through current programs administered by the Fort Collins Housing Authority, other non-profit affordable housing agencies, and private developers.
- 2. Continue to offer relocation assistance to those residents of affordable units redeveloped with the use of federal, Fort Collins Urban Renewal Authority (FCURA), or other City funds, but do not extend a requirement to pay relocation expenses in private redevelopment projects that do not use public funds and do not require a discretionary land use decision by the City.²
- 3. Draft a Manufactured Home Park Zoning District and rezone into that district those mobile home parks that are relatively large and can serve as significant sources of affordable housing for the long term. From 1965 to 1997 the City of Fort Collins had two mobile home park zoning districts and most of the existing mobile home parks located inside the city limits were zoned in one of those districts. A copy of the City's former M-M Medium Density Mobile Home Park district is attached for reference.
- 4. Create a loan or grant program, or use the existing financial assistance competitive process, that would be available to finance significant investments in new or existing affordable

² The Fort Collins Urban Renewal Authority is currently considering narrowing its relocation assistance policies to apply only when there is an eminent domain/condemnation action by the URA. This policy change would have a significant impact on mobile/manufactured home owners, since they do not own the land that is the subject of the condemnation action and generally do not participate in the negotiations. This represents a departure from federal Uniform Relocation Act requirements followed by the Fort Collins URA in the past, which were designed to protect renters in these types of situations.

housing infrastructure that would be available to those larger mobile home parks willing to commit to continuing operation of their mobile home parks for a at least 10 years.³

- 5. Require a one (1) year notice of closure period for mobile home parks (rather than the 6 month minimum notice required by the state). As an alternative, allow a six (6) month closure notice if the park owner delivers to each resident on or before the notice date a detailed Relocation Report listing all available mobile home park spaces available within 25 miles, providing the contact information for each of those park owners, and including documented estimates of the costs of moving mobile/manufactured homes to those locations. In addition, the notice provision shall also alert residents that the park may be closed before the mandatory notice period has expired if all park residents have been successfully relocated to each party's mutual satisfaction.⁴
- 6. Require that redevelopment projects involving City financial assistance or a discretionary land use decision by the City pay (a) actual costs of relocating owner occupied mobile/manufactured homes to a new site within a 25 mile radius of the mobile home park, up to a maximum of \$6,000 for a single-wide home and \$8,000 for a double-wide home, and (b) the actual value (as determined by the County Assessor) of any home that is structurally able to be moved but that cannot be moved due to the unavailability of any spaces within 25 miles, and (c) one-half of the actual value (as determined by the County Assessor) of any mobile/manufactured homes that cannot be moved due to structural weakness or poor condition.⁵
- 7. Build the capacity of homeowner groups, non-profit affordable housing providers, and support organizations to purchase affordable housing types, including mobile home parks, offered for redevelopment and manage them as long-term sources of affordable housing.⁶

³ Wording revised to broaden applicability to all affordable housing infrastructure, as recommended by Planning and Zoning Board.

⁴ Wording revised to reflect recommendations of the Affordable Housing Board.

⁵ Affordable Housing Board recommended that this provision be strengthened, and Planning and Zoning Board recommended that it be deleted. Recommendation remains unchanged from Public Review Draft, except that relocation cost caps recommended by the AHB have been included.

⁶ Wording revised to reflect Planning and Zoning Board recommendation to broaden impact to include purchase of all types of affordable housing.

III. CURRENT CITY POLICIES

The City of Fort Collins has adopted several policies that underlie this strategic plan and influence the above recommendations discussed in greater detail in this document.

A. FROM CITY PLAN

Policy LIV 7.2 – Develop an Adequate Supply of Housing

Encourage public and private for-profit and non-profit sectors to take actions to develop and maintain an adequate supply of single- and multiple-family housing, including mobile homes and manufactured housing.

Policy LIV 8.6 - Mitigate Displacement Impacts

Explore ways to mitigate the impact upon residents displaced through the closure of manufactured housing parks or conversion of rental apartments, including single room occupancy units, to condominiums or other uses.

Near-Term Implementation Actions: 2011 And 2012

24. Relocation Plan - Develop a proactive plan to address the issue of resident displacement due to redevelopment activities.

B. FROM THE AFFORDABLE HOUSING STRATEGIC PLAN 2010-2014

Priority #2: Preserve existing affordable housing units.

IV. INVENTORY AND ANALYSIS

A. APARTMENTS WITH INCOME CONTROLS

The following table identifies properties that have received Low Income Housing Tax Credits (LIHTC) to aid in the development of affordable multi-family housing units. To be eligible for the program, LIHTC properties must include income restrictions, rent restrictions, and extended-use requirements. At a minimum, at least 40 percent of the property must be set aside for families earning below 60 percent of Area Median Income (AMI), or at least 20 percent of the property must be set aside for families earning below 50 percent of the AMI. Rents are restricted by income group, bedroom size, and AMI, and rents must include utility costs. All developments must maintain the rent and income requirements through a 15-year compliance period and a 15-year extended-use period, for a minimum total of 30 years (many projects have a total of 40 years). The requirements are enforced by the Colorado Housing Finance Authority (CHFA) through a Land Use Restriction Agreement that is recorded against the property.

Apartment Complex Name	Number of Units	LIHTC Land Use Restriction Agreement Expiration Date
Hickory Hill Village 3425 Windmill Drive	92	?7
Rose Tree Village Apts. 1000 W. Horsetooth Road	120	?
CARE Housing/Greenbriar Village 400 Butch Cassidy Drive	40	2025
Buffalo Run Apartments 1245 E. Lincoln Avenue	144	2037
CARE Housing at Eagle Tree 6675 S. Lemay Avenue	36	2037
Reflections Senior (aka JFK Sr. Apts.) 321 E. Troutman Parkway	72	2038
Elizabeth St. Senior Apartments 1508 W. Elizabeth Street	50	2039
CARE Housing/Windtrail Park Apartments 2120 Bridgefield Land	50	2039
Northern Hotel 172 N. College Avenue	47	2040

⁷ Hickory Hill Village and Rose Tree Village Apartments were acquired from private investors by the Fort Collins Housing Authority on December 31, 2012. At this time, it is not known what the new affordability expiration dates will be for these complexes.

Apartment Complex Name	Number of Units	LIHTC Land Use Restriction Agreement Expiration Date
CARE Housing/Fairbrooke Heights	36	2041
1827 Somerville Drive		
CARE Housing/Provincetowne 626 Quaking Aspen Drive	85	2041
Bull Run	1.84	
820 Merganser Drive	176	2042
Country Ranch 2921 Timberwood Drive	118	2042
Fox Meadows Apartments 3644 S. Timberline Road	138	2042
Oakbrook/Manor Apartments 3200 Stanford Road	107	2042
Residence at Oak Ridge 4750 Wheaton Drive	44	2042
Woodland Apartments 1025 Wakerobin Lane	116	2042
CARE Housing/Swallow 1303 W. Swallow Road	40	2045
Springfield Court 3851 S. Taft Hill Road	63	2045
Caribou Apartments 4135 Verbena Way	97	2047
Village on Elizabeth 2217 W. Elizabeth	48	2047
Village on Stanford 2631 Stanford Road	82	2048
Caribou Apartments - Phase II 4125 S. Timberline Road	96	2051
Legacy Senior Residences (Proposed) 411 Linden Street	72	2051
TOTAL	1,969	

The table above shows that there will not be a significant loss of LIHTC-protected affordable units within the next decade.

In addition, the Fort Collins Housing Authority's current Strategic Plan calls for its "Villages Program" to acquire approximately 40 additional rental units each year for rehabilitation and preservation as affordable housing. The Authority is generally meeting this goal, and has

additional goals of developing 60 new permanent supportive housing units in 2013, preserving another existing 70 units in 2014, and preserving an additional 70 new townhouses in 2015. Obtaining the funds to achieve these goals may require selling off some single-family units currently owned by the Authority (which are more expensive to manage but will result in a net gain of preserved affordable housing units).

Maps showing the locations of the above-listed affordable housing complexes are provided as attachments.

B. MOBILE HOME PARKS

The current inventory of mobile home parks in Fort Collins and the Growth Management Area (GMA) are shown in the table below. The table distinguishes between mobile home parks that are located:

- 1. Within the Fort Collins City limits which would be subject to any new relocation mitigation policies and strategies adopted by City Council; or
- 2. Within the GMA and adjacent to the City limits which would require Fort Collins' annexation and approval of any redevelopment proposal under the terms of the GMA agreement with Larimer County, but would not be subject to any mitigation strategies intended to be applied before annexation and redevelopment; or
- 3. Within the GMA and <u>not</u> adjacent to City limits, which would not be subject to any relocation mitigation strategies adopted by the Fort Collins City Council.

Mobile Home Park Name	Number of Units	Owner Units	Owner Percentage	Renter Units	Current Zoning	Targeted Redevel- opment Area?	Park Ownership Location
WITHIN CITY LIMITS							
Cottonwood 1330 Laporte Avenue	13	12	92%	1	LMN		СО
Harmony 2500 E. Harmony Road	451	352	78%	99	LMN	Yes	Other
Meldrum/Cherry St. 329 N. Meldrum Street	5	0	0%	5	NCB	Yes	FC
Hickory Village 400 Hickory Street	205	146	71%	59	LMN	Yes	СО
Montclair Motel 1405 N. College Avenue	10	0	0%	10	CS	Yes	FC
North College (East) 1601 N. College Avenue	96	35	36%	61	CS	Yes	FC
North College East) 1601 N. College Avenue	46	8	18%	38	CS	Yes	FC
North College (West) 1601 N. College Avenue	166	148	89%	18	LMN	Yes	FC

Mobile Home Park Name	Number of Units	Owner Units	Owner Percentage	Renter Units	Current Zoning	Targeted Redevel- opment Area?	Park Ownership Location
Northstar	35	32	91%	3	LMN		СО
1700 Laporte Avenue Northstar							
1700 Laporte Avenue	15	12	80%	3	LMN		CO
Pleasant Grove 517 E. Trilby Road	106	76	72%	30	LMN		Other
Skyline 2211 W. Mulberry Street	61	58	95%	3	LMN		Other
Skyline 2211 W. Mulberry Street	102	98	96%	4	LMN		Other
Stonecrest 1303 N. College Avenue	25	0	0%	25	CS	Yes	СО
TOTAL (IN CITY)	1,336	977	73%	359			
CONTIGUOUS TO CITY LIM	ITS						
Collins Aire North 401 N. Timberline Road	159	111	70%	48	0		Other
Collins Aire South 401 N. Timberline Road	121	104	86%	17	0		Other
Highland Manor 301 Spaulding Lane	5	5	100%	0	M1		FC
Highland Manor 301 Spaulding Lane	30	30	100%	0	M1		FC
Poudre Valley 2025 N. College Avenue	332	286	86%	46	M1		CO
Spaulding Lane 242 Spaulding Lane	7	7	100%	0	M1		FC
Timberridge North 3717 S. Taft Hill Road	281	228	81%	53	M1		Other
TOTAL (CONTIGUOUS)	935	771	82%	164			
IN GROWTH MANAGEMEN	T AREA AN	D NOT C	UNTIGUOU	S TO CI	TY LIMI	rs -	
Aspen 400 S. Overland Trail	25	14	56%	11	M1	,	СО
Blue Spruce 2704 N. Shields Street	24	24	99%	0	FA		FC
Equestrian Center 2024 N. Whitcomb St.	3	1	33%	2	0		Other
Highland Manor 301 Spaulding Lane	17	17	99%	0	M1		FC

Mobile Home Park Name	Number of Units	Owner Units	Owner Percentage	Renter Units	Current Zoning	Targeted Redevel- opment Area?	Park Ownership Location
Mountainview 3109 E. Mulberry Street	30	15	50%	15	R-2		СО
Parklane 411 S. Court Street	62	44	71%	18	С	Yes	СО
Terry Cove 221 W. Douglas Road	24	3	12%	21	R		FC
Terry Lake 437 N. Hoghway 287	27	2	7%	25	0		FC
Timberridge South 2300 W. County Rd 38E	293	214	73%	79	M1		Other
White's 2131 W. County Rd 38E	5	0	0%	5	R		FC
TOTAL (GMA)	510	334	65%	176			

To summarize:

- There are currently 1,336 mobile homes within the Fort Collins City limits, 935 inside the GMA and contiguous to the City limits, and 510 inside the GMA but not contiguous to the City limits.⁸
- The percentage of owner-occupied homes in these parks varies significantly. It averages 73% in the City, 82% in parks contiguous to the City limits, and 65% in the remainder of the GMA.
- Eight of the 14 mobile home parks within Fort Collins are located in a targeted redevelopment area.
- For those parks located within the Fort Collins City limits, 24% of the mobile/manufactured home sites are owned by Fort Collins owners, 22% by owners based elsewhere in Colorado, and 54% by out-of-state owners.
- For those parks located contiguous to the Fort Collins City limits, out-of-state ownership predominates: 4% are owned by Fort Collins individuals or entities, 36% by Colorado owners, and 60% by out-of-state entities or individuals.
- The vast majority (86%) of the mobile home parks within Fort Collins are currently zoned LMN Low Density Mixed Use Neighborhood, and almost all of the remainder are in the C-S Service Commercial district. Five units are in the NCB Neighborhood Conservation Buffer district. The Fort Collins Land Use Code allows <u>new</u> mobile home parks to be created in either the LMN or E Employment districts, but no parks currently exist in the E district. New parks require a public hearing and approval by the Planning and Zoning Board.

⁸ In addition, the Cloverleaf Mobile Home Park contains 480 units contiguous to the city limits, but those units are not included in these totals because they are located in Timnath's GMA.

The City of Fort Collins tracks activity in locating (new or used) mobile/manufactured homes in (new or existing) mobile home parks. Since 2006 there have been no new mobile home parks created in Fort Collins. Activity in existing mobile home parks varies significantly from year to year as shown in the table below.

Year	Manufactured Home Setups
2006	34
2007	14
2008	12
2009	27
2010	28
2011	63

A more complete inventory of mobile home park conditions and maps showing the location of each park is attached to this strategic plan document.

Unfortunately, it has not been possible to gather reliable information about the income levels, rental charges, or the relative burden of incomes to rents and utilities in any of the existing mobile home park communities. Anecdotal information from the various stakeholder meetings indicates that the majority of residents living in the mobile home park communities in and near Fort Collins are lower-income residents but that accurate and detailed income data would be difficult to obtain.

V. PUBLIC INVOLVEMENT

Three key stakeholder groups were convened three times during the preparation of this strategic plan document. The three identified stakeholder groups included (1) Mobile home park property owners, (2) Mobile home park residents (both home owners and renters), and (3) Affordable housing and human service agencies.

Each group was convened in September 2012 to introduce the project, review preliminary research regarding mobile home park preservation techniques and relocation assistance, and request input for this strategic plan. On October 23, 2012, the results of initial research and stakeholder meetings were reported to the Fort Collins City Council in a work session. At that time, City Council neither eliminated nor endorsed any of the approaches used to mitigate the impacts of affordable housing dislocations in other communities, but rather asked that the planning team outline the pros and cons of each approach that it deemed worthy of consideration and directed the planning team to make recommendations based on its evaluation of those advantages and disadvantages. In November 2012, the three stakeholder groups were reconvened to communicate City Council's reaction and direction.

Finally, on January 24, 2013, an open house meeting was held to introduce and solicit comments on the draft strategic plan document in anticipation of the further public review of the document by the Affordable Housing Board, Planning and Zoning Board, and City Council. In preparation for the January open house, individual notices were mailed to each the address of each mobile/manufacture home and each mobile home park owner. Approximately 80 mobile/manufactured homeowners, park owners or representatives, and interested citizens attended the open house. In addition, an on-line survey describing the seven recommendations in the Public Review Draft of this report was designed and data collected from January 16 through February 14, 2013.

The major themes emerging from stakeholder consultations in October, November, and January are summarized below:

- None of the mobile home parks listed in the inventory have an operating homeowners' association, so residents participated individually. Despite attempts to reach residents through printed notices (Spanish and English), e-mail notifications, and relying on resident champions (although not through an individualized notice to each homeowner), attendance by mobile/manufactured home residents was light, but attendance at the January open house was significantly higher. Mobile/manufactured home residents are very apprehensive about the disruption to their lives, the expense of relocation, and the potential impossibility of finding mobile/manufactured home relocation sites if their parks are redeveloped in the future. While interested in potential relocation assistance, they are more interested in steps that could be taken to keep the existing mobile home parks in operation as mobile home parks and/or allow the residents to purchase the parks if the park is proposed for redevelopment.
- Mobile home park owners were well represented both individually and by a representative of the Rocky Mountain Home Association. While particularly interested in the ability to continue operating the existing mobile home parks and to reposition those parks for different

configurations of lots (for example, to convert two single-wide lots to a double-wide lot) and willing to discuss City incentives to reinvest in the parks to keep them financially viable, several owners felt it would be inappropriate for the City to take steps to discourage or prevent the redevelopment of mobile home parks for other uses dictated by market forces, or to require the payment of relocation expenses when redevelopment occurs

- Affordable housing advocates and social service agencies indicated that although there are currently no non-profit developers or housing management agencies engaged in purchasing mobile home parks in order to preserve the existing housing, that approach might be worth discussing. The agencies expressed support for the long-term possibility of non-profit purchase and ownership of mobile home park(s), but none felt they had the expertise to undertake such a project in the near-term. Similarly, CHFA indicated that it had never assisted in financing the purchase of a mobile home park for the purpose of preserving affordable housing, but that there appears to be no legal prohibition on their doing so if resources were available.
- In addition, Fort Collins staff has kept the Larimer County Planning Department, the Larimer County Health Department, the Fort Collins Affordable Housing Board, and the Planning and Zoning Board informed about this project. The Affordable Housing Board discussed this project on October 4, 2012, and generally commented that:
 - An extended (12 month) notice-of-closure requirement would be helpful;
 - Some parks do not have long-term viability and should be allowed to redevelop with some requirements for including affordable housing and/or incentives for the inclusion of that housing;
 - Incentives that would allow additional density for inclusion of affordable housing when mobile home parks are redeveloped;
 - Organizing and supporting resident-owned parks is difficult, and would require strengthening non-profit groups to support them; and
 - The creation of incentives is preferable to the creation of a Manufactured Home Park zoning district.
- The Affordable Housing Board discussed the Public Review Draft of this strategic plan a second time on February 7, 2013, and made the following two specific recommendations for changes to the document
 - First, the AHB recommended that plan recommendation 5 (concerning expanded notices of closure) be reworded to require that notices make the residents aware that the park might be closed earlier than the closure notice period if all residents had been relocated to their mutual satisfaction. That recommendation was incorporated into this document.
 - Second, the AHB recommended that plan recommendation 6 (concerning payment of redevelopment costs) be revised so that (a) payment of relocation costs is an obligation of the mobile home park owner or redeveloper, (b) payment of actual relocation costs be capped at \$6,000 for a single-wide and \$8,000 for a double-wide, (c) the mobile home park owner be required to pay full (rather than half) of the actual value of the home (as determined by the County Assessor) if it cannot be relocated due to its poor structural condition, and (d) the obligation to pay relocation or unit purchase costs apply regardless

of whether the redevelopment project involved City financial assistance or a discretionary land use decision by the City. Only AHB recommendation (b) was incorporated into this document.

- The results of the on-line survey included the following:
 - 45 persons completed the survey. Of that number 35.5% were residents of a mobile home park (all but one were unit owners); 22.6% were owners or managers of mobile home parks; the rest were either residents of affordable housing units, employees of affordable housing organizations, or "other."
 - 69.9% were residents of Fort Collins, and 41.1% had lived in Fort Collins for over 10 years.
 - o 84.2% of survey respondents indicated they had read the Draft Strategy.
 - Support and opposition to each of the proposed strategies varied significantly. For purposes of this summary, responses of "support" or "strongly support" are combined, as are "oppose" and "strongly oppose."
 - 76.7% support creating a <u>loan or grant program</u> available for reinvestment in water, sewer, and road infrastructure for mobile home parks that agree to continue in operation for a period of time; 102% oppose; and 13.3% were neutral.
 - 66.6% support continuing to offer <u>relocation assistance when redevelopment projects</u> <u>use public (federal, URA, or City) funds</u>, but not extending that duty to private redevelopment projects that do not use public funds and do not require a discretionary land use decision by the City; 23.4% oppose; and 10.0% were neutral.
 - 64.5% support continued efforts to <u>expand the inventory of affordable housing units</u> in Fort Collins through existing programs; 16.2% oppose; and 19.4% were neutral.
 - 50% support creation of a <u>Manufactured Home Park District</u> that would limit options for redevelopment of existing parks without City Council approval; 43.4 oppose; and 6.7% were neutral.
 - 46.6% support a requirement that redevelopments projects with City involvement should be required to <u>pay mobile home relocation costs</u> within 25 miles, to pay market value of homes that cannot be moved because no spaces are available, and to pay 50% of the market value of homes that cannot be moved due to structural condition; 40% oppose; and 13.3 were neutral.
 - 43.3% support requiring a <u>one-year notice of closure</u> (rather than the state minimum six month notice), but allowing a six month notice of the mobile home park owner gives each resident a relocation report identifying available spaces within 25 miles; 60% oppose; and 6.7% were neutral.
 - 46.7% support <u>building the capacity of homeowner groups, non-profits, and support</u> <u>organization</u> to purchase mobile home parks and manage them as affordable housing. 30.0% oppose; and 23.3% were neutral.

VI. STABILIZATION TECHNIQUES

There are numerous steps that the City of Fort Collins could take to either (a) discourage the redevelopment of existing affordable housing units (either rental complexes or mobile home parks) in ways that would dislocate the current residents, or (b) assist in the relocation of residents when affordable housing units are redeveloped, or (c) both. Before outlining these options, however, it is important to clarify that these options would apply only when the proposed redevelopment of affordable housing units does not involve funding from either the federal government or the Fort Collins Urban Renewal Authority (FCURA).

- When federal funds are involved in a redevelopment project, the City is obligated to provide assistance outlined in the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (the "Federal Uniform Relocation Act" or "FURA"). That assistance includes a minimum 90 day notice prior to displacement, provision of relocation advisory services, payment of moving expenses, and payments for the added costs of renting or purchasing adequate replacement housing. Additional provisions apply if federal funds are used to acquire real estate (not just supporting its redevelopment).
- When the Fort Collins Urban Renewal Authority (FCURA) assists in redevelopment, its relocation policies would apply. The FCURA recently updated its relocation assistance policies and decided to follow the requirements of the FURA in most major respects, with one exception: FCURA established a \$50,000 cap on moving expenses for business relocations.⁹

Because these two situations are covered by existing policies and legal requirements, this strategic plan document focuses on situations in which redevelopment is being completed either (a) privately, without any financial involvement by the City or (b) with City involvement using non-FCURA assistance. Different policies may be needed in these two situations.

Options for mitigating the impacts of dislocation through the redevelopment of affordable rentals and mobile home parks can generally be categorized as either (a) strategies to <u>discourage or</u> <u>prevent the dislocation</u> (which generally means reducing opportunities for redevelopment), or (b) strategies to <u>mitigate the impacts of dislocation</u> when it occurs. Each of these is discussed separately.

A. OPTIONS TO DISCOURAGE THE LOSS OF AFFORDABLE HOUSING

The first set of options involve discouraging the loss of affordable housing units by discouraging the redevelopment of the property or by requiring that any redevelopment project incorporate replacement affordable housing. It is important to note that there is no parallel to these options in either the FURA or the modified version of the FURA policies

⁹ The Fort Collins Urban Renewal Authority is currently considering narrowing its relocation assistance policies to apply only when there is an eminent domain/condemnation action by the URA. This policy change would have a significant impact on mobile/manufactured homeowners, since they do not own the land that is the subject of the condemnation action and generally do not participate in the negotiations. This represents a departure from federal Uniform Relocation Act requirements followed by the Fort Collins URA in the past, which were designed to protect renters in these types of situations.

adopted by the Fort Collins Urban Renewal Authority (FCURA). Those policies and requirements <u>only</u> address relocation assistance when the dislocation of residents occurs.

1. Affordable Rental Units

Two main categories of affordable rental units (generally, apartments) exist in Fort Collins:

- Designated affordable units; and
- Market rate units.

Strategies to discourage the loss of affordable rental units for each category are discussed below.

Designated Affordable Units

Designated affordable units receive some form of public assistance or benefit (e.g., LIHTCs or grant funding) in exchange for maintaining a commitment to affordability. The City works with its partners in affordable housing, including private developers, non-profit affordable housing providers, the Fort Collins Housing Authority, and financial institutions to maintain the supply of designated affordable rental units in the community.

The *Affordable Housing Strategic Plan 2010-2014* establishes goals and strategies for affordable housing in Fort Collins, with an emphasis on designated affordable units. The strategic plan identifies four goals: (1) Increase the inventory of affordable rental housing units, (2) Preserve existing affordable housing units, (3) Increase housing and facilities for people with special needs, and (4) Provide financial assistance for first-time homebuyers.

As discussed in the *Affordable Housing Strategic Plan*, the City employs an array of financial resources including federal grants (Community Development Block Grant [CDBG] and Home Investment Partnership Grant [HOME]), the City's Affordable Housing Fund (AHF), Private Activity Bond (PAB) financing, and development incentives to preserve and increase the inventory of designated affordable rental housing units. If federal funds or the FCURA are involved with any redevelopment project impacting designated affordable rental units, the FURA requirements would apply.

On the other hand, if federal funds or the FCURA are not involved with a redevelopment project that affects designated affordable rental units, then the terms of the rental lease would apply (pursuant to Colorado Rental Agreement Laws). While there may be concern about the long-term loss of designated affordable units, data shows that while some designated affordable rental units may be lost any given year (due to closure, the expiration of tax credits or rent limits, or other factors), the overall inventory of designated affordable rental units continues to increase, with new and/or rehabilitated units added each year. Moreover, the City and its partner affordable housing agencies are typically aware of potential redevelopment or expiration of designated affordable units, and because their missions are to provide affordable housing, they have worked to find creative solutions long before those situations affect residents. That collaborative approach, along with continued implementation of the strategies identified in the *Affordable Housing Strategic Plan* will likely help the City achieve its goals related to preserving existing and increasing the inventory of designated affordable rental units.

Market Rate Units

In addition to designated affordable rental units, there are many other market rate units that do not receive public assistance or tax credits but that provide unofficial "affordable housing" to lower income households. If federal funds or the FCURA are not involved with a redevelopment project impacting market rate rental units, then the terms of the rental lease would apply (pursuant to Colorado Rental Agreement Laws). Because rental rates in these units vary with market demand, different (generally apartment) buildings and complexes can fluctuate in and out of the "affordable" category over time. In addition, individual units within a building (for example, basement, smaller units, or poorly located units) may move in and out of the "affordable" category within a single building or complex. Because of the difficulty of identifying which units are "affordable" in any given year, because that inventory changes from year to year, and because it is difficult to develop tools that would preserve individual "affordable" units (rather than a building or complex) from redevelopment, the City's affordable housing strategy has not targeted market rate units for preservation except through designating the building or complex for assistance through the "designated affordable" tools discussed above, and this strategic plan recommends no change to that policy. However, recommendations 1 and 7 could result in some of these market rate buildings being acquired by affordable housing entities through voluntary transactions and then added to the City's "designated affordable" housing stock.

2. Mobile Home Parks

At the outset, it is clear that any strategy to discourage or prevent the relocation of existing mobile home parks must acknowledge the wide range of size, location, infrastructure quality, and long-term housing potential of different parks, as well as the City's plans for the area in which the park is located. On one hand, there are several large mobile home parks that have good water and sewer infrastructure and are located in areas of Fort Collins not targeted for redevelopment. On the other hand, some of the parks have a limited number of spaces (e.g., 5 to 15 spaces), have aging water and sewer lines (or only septic systems), and/or are located in areas of Fort Collins designated for redevelopment.

As a result, any redevelopment displacement mitigation strategies should include a different mix of tools depending on (1) the number of affordable housing units at risk, (2) the amount of infrastructure investment (if any) required to keep the park as a viable source of housing over the mid- to long-term, and (3) the location of the park in a targeted redevelopment area (if any). This strategic plan recommends that the mitigation strategies be organized around a three-tier approach:

• <u>Tier 1 – Zoning for Preservation</u>, which would generally be applied to those mobile home parks that contain a relatively large number of mobile/manufactured home spaces (e.g., over 50) and could serve as a significant source of affordable housing over the mid- to- long term, that do not require significant investment to install or replace water and sewer infrastructure, and where there have been significant park

and home owner investments based on its future use as a mobile home park, regardless of whether they are located in a targeted redevelopment area.

- <u>Tier 2 Financial Assistance for Preservation</u>, which would generally be available to the owners of those mobile home parks that contain a relatively large number of mobile home spaces (over 50), but that may require significant investment in infrastructure in order to remain viable, whether or not they are located in targeted redevelopment areas.
- <u>**Tier 3 Resident Relocation Assistance,**</u> which would be required of all redevelopment projects with City involvement that result in the displacement of residents from a mobile home park.

Option 1: Rezoning to a Manufactured/Mobile Home Park District

Some local governments create a zoning district specifically designed for mobile home parks. These districts are usually applied to existing parks in order to help preserve them, but they are also available for the creation of new mobile home parks. These districts permit only mobile/manufactured home residences and uses closely related to the operation of the park (e.g., clubhouses and pools), and include the same types of layout, circulation, and utility service standards discussed above. Although a number of alternative uses of the property are often listed to allow the owner flexibility, major commercial and residential uses are generally not allowed. The amount of flexibility for alternative uses is generally tailored – and may in some cases involve options to redevelop portions of the property if the remainder is preserved as a park.

For example, Snohomish County, WA, has created a Mobile Home Park zone district that allows:

- As Permitted Uses: Agriculture, boarding house, clubhouse, community club, community facility for juveniles, mobile/manufactured home dwelling, single-family dwelling, family day care home, foster home, guesthouse, Level 1 health or social service facility, mobile home park, retirement apartments, retirement housing, small personal storage, and swimming pool.
- As Conditional Uses: Bed and breakfast guest house, Level 2 or 3 health or social service facility, personal wireless communication facility, recreational vehicle park, large personal storage, and primary use utilities.
- As Accessory Uses: Day care center, garage, home occupation, small personal storage facility, and support utilities.¹⁰

Until 1997 the City of Fort Collins land development regulations contained two similar districts, the M-L Low Density Mobile Home Park district and the M-M Medium Density Mobile Home Park district. A copy of the M-M district is attached to this document for reference.

In contrast, Fort Collins' current LMN zoning district (where most of the mobile home parks are located) allows a broader range of redevelopment uses subject only to

¹⁰ The cities of Lynnwood, Marysville, and Tumwater, Washington, have adopted similar ordinances.

administrative review, including multi-family dwellings, public and private schools and universities, retail stores, offices, and financial services. The impact of rezoning (downzoning) some of the existing mobile home parks into a new and more restricted manufactured/mobile home park district would limit owners to a narrower range of options for redevelopment of the property. A rezoning from a more restricted manufactured/mobile home park district to a zone that permits a wider range of land uses is always a future possibility for the property owner, but any such rezoning would require approval from the City Council.

This option could only apply in the short run to those mobile home parks located within the boundaries of Fort Collins. However, the City could adopt a policy listing the names or types of mobile home parks located within the GMA to which it intends to apply this tool upon annexation or application for redevelopment, which could have the effect of discouraging applications for annexation and redevelopment for other uses. In addition, Larimer County could adopt a similar district for use in the unincorporated areas of the county.

While these types of ordinances are sometimes legally challenged as "takings" of private property rights, they have generally been upheld by the courts because they leave the property owner with a "reasonable economic use" of the property, especially if that use is a mobile home park that has existed on the property for many years. Most recently, the U.S. 9th Circuit Court of Appeals upheld a challenge to a mobile home park ordinance similar to the Snohomish County ordinance in <u>Laurel Park Community, LLC v. City of Tumwater</u>.¹¹

Option 2: Incentives to Preserve or Improve the Mobile Home Park

A second alternative is to offer mobile home park owners financial incentives in return for agreements to keep the park in operation for a period of years.¹² For example, some local governments offer grants or loans to mobile home park owners to invest in infrastructure maintenance and upgrades as a way to stabilize and support mobile home communities. Grants or loans are sometimes made available to pave (or repave) roadways, upgrade water and/or sewer systems, replace failing septic systems, improve site drainage, or to make other improvements that would prolong the useful life of the mobile home park and/or reduce threats to public health and safety within the park.

City financial assistance for infrastructure replacement could be made available from the federal CDBG and/or HOME Programs or the City's Affordable Housing Fund (AHF), and those funds could be used to leverage additional private financing to cover project costs and to keep lot rents affordable. Applications to use the City's AHF for this purpose would, of course, need to compete with other proposals through a competitive process, and would need to contain commitments from the park owner to keep at least a portion of the lot rentals affordable to low income families for a defined length of time. The City's *Affordable Housing Strategic Plan 2010-2014* also contains an implementation action

¹¹ No 11-35466, D.C. No. 3:09-cv-05312-BHS, October 29, 2012.

¹² Chapter 18 of the *Code of the City of Fort Collins* contains regulations and standards for mobile home parks and mobile homes in the city limits. These regulations include park maintenance requirements for utilities including electric, water, sewer, and gas, as well as trash removal.

item to investigate the establishment of a permanent funding source for the AHF, which would enhance its value as a potential source of future funding for infrastructure improvements and mobile home park purchases.

The available information on potential infrastructure investments needed to keep the existing parks viable suggest that only 2 of the 14 mobile home parks located within Fort Collins, with a combined 311 mobile/manufactured homes, have a likely need to invest in on-site infrastructure improvements (sewer). While 4 of the parks located in the City limits currently have dirt roads that may need to be upgraded and paved, all of those are small parks (under 25 units) where the potential for preserving significant amounts of affordable housing is likewise small. In addition, failure to upgrade substandard roads would seldom lead to the closure of a mobile home park, while failure to upgrade sewer or septic systems could lead to health risks that force the closure of the park. Two of the 7 mobile home parks located contiguous to the City boundaries, with a combined 613 mobile/manufactured homes, may need investments in either storm or sanitary sewer infrastructure. While more detailed information is certainly needed, the data above suggests that infrastructure-based incentives based on assistance in upgrading sewer infrastructure might have larger impacts in preserving mobile home parks that are located on parcels contiguous to the City boundaries (when and if they apply for redevelopment) than in preserving mobile home parks within the City boundaries.

As an alternative example, Bend, OR, has adopted a Manufactured Park Redevelopment Overlay Zone that offers existing manufactured home parks several incentives if the redevelopment preserves all or part of the existing mobile home spaces. For example, Bend offers increased density, allowance to remove up to 10% of otherwise-protected trees if necessary to accommodate increased density, and additional building height if necessary to increase the number of affordable units in the redeveloped park and to avoid tree removal. If surrounding properties are developed at higher densities, then the redevelopment may also include some neighborhood-scale commercial uses if they can be served from an existing street. To reduce impacts on surrounding residential properties, setbacks and lot sizes within 100 feet of the property perimeter must match or exceed those of the adjacent residential development. Interestingly, if the redeveloped park accepts manufactured homes from other (closing) mobile home parks that need a place to relocate, the owners will not in the future be responsible for providing relocation benefits to those relocated tenants if their park later closes.

In practice, redevelopment incentives such as those in Bend, OR, could be combined with a Manufactured Home Park zoning district. For example, the Manufactured Home Park district could offer additional options for non-residential development if the redevelopment proposal includes affordable residential units.

Obviously, many different types of incentives could be offered in return for preservation of a mobile home park or redevelopment that incorporates mobile/manufactured home spaces or affordable housing for existing residents. However, incentives only constitute an effective mitigation strategy if they are in fact valuable to the mobile home park owners and/or redeveloper. In practice, this means they need to be more valuable than the returns that can be achieved by selling the park for redevelopment with more valuable uses. This type of incentive approach would only apply to those 14 parks located within Fort Collins – at least until such time as those parks located contiguous to the City boundary apply for annexation. However, Larimer County could decide to offer identical or similar incentives to the 7 parks along the Fort Collins boundary or the 10 parks located elsewhere in the GMA if it wished.

Option 3: Right of Current Residents to Purchase the Park

Some states and local governments provide mobile/manufactured homeowners a "first right of refusal" to buy the mobile home park from the owner at a reasonable price if the owner intends to sell the park. Several variations of requirement can also be found. In Malibu, CA, for example, the home owners are given the right to match the final market offer on the mobile home park before the property owner may accept that offer (i.e., a "right of last offer"). Typically, this right only applies to mobile home owners that are organized into a recognized homeowners' association registered with the state that can obtain financing as the purchasing entity. As an alternative, a right of first refusal could be granted to a housing authority or a non-profit affordable housing entity that agrees to allow the mobile/manufactured homes to remain in the park at affordable land rent rates. The right does not usually apply to individuals or groups of individuals who are park residents, but who are not members of an approved homeowners association. Ownership of the park itself grants a very high level of security to the residents that they will not be dislocated in the future without their consent.

Of course, the right to purchase a mobile home park will not significantly reduce dislocation of the residents unless they are willing and able to complete the purchase, and that requires both organization and financing. States that want to encourage this outcome have generally developed some level of financial assistance to help mobile/manufactured home owners in this effort. For example, the State of Washington established a \$4 million statewide fund that can provide at least partial financing for those purchases. Rhode Island exempts sales of mobile home parks to residents' associations from tax on the sale, and Washington does the same for sales to homeowners' associations, housing authorities, or non-profit housing agencies.

In addition, a national non-profit organization named Resident Owned Communities USA (ROC USA) has assisted numerous mobile/manufactured homeowners to organize and purchase their parks. The New Hampshire Community Loan Fund, the precursor to ROC USA, has helped with the conversion of more than 100 mobile home park communities to resident ownership. To date, none of those resident-owned communities has defaulted on loans that enabled it to purchase the park. ROC USA has certified technical assistance providers across the country who are available to assist home owners with the purchase of their community and ROC USA can also help with the financing. Without these forms of organizational or financial assistance, however, it is doubtful that a right-of-first refusal will act as a significant disincentive to redevelopment of the mobile home park, since the value of mobile home park land for an alternative multifamily or commercial use may well exceed its value as a mobile home park, and thus exceed the value of any offer that even organized residents can make to purchase the park.

While the State of Colorado does not currently grant this right to mobile/manufactured home owners associations, this could be an area for potential changes to state law. For example, state law could be amended to require that mobile home park owners grant their tenants or non-profit affordable housing entities a right of first refusal or by requiring a delay (for example, 90 days) before closing of a sale to a third party to allow time for negotiation with the owners or a third party, such as a land trust, to offer a competitive sale price. Again, Fort Collins would only have the ability to impose this requirement on the 14 parks within its boundaries until such time as the owners of other parks along the City limits decide to annex.

Option 4: Encouraging Purchase of the Park by a Third Party

In addition, or as an alternative, Fort Collins could establish a process to encourage sale of existing mobile home parks to a non-profit housing provider or land trust committed to managing the property as a source of affordable housing. For example, when the Mapleton Mobile Home Park in Boulder was threatened with redevelopment and dislocation of its residents, the City of Boulder was able to encourage purchase of the park by the Thistle Communities Land Trust in order to preserve it as a mobile home park. In Fort Collins, Funding Partners is aware of this technique and could potentially offer financing for a non-profit housing entity to purchase an existing mobile home park.

Option 5: Encourage the Creation of New Mobile Home Parks

Finally, Fort Collins could encourage the creation of new mobile home parks, both as an efficient source of affordable housing and to increase the number of mobile home sites available for potential relocation from existing mobile home parks when they redevelop. This could be done through a partnership with housing developers, both private and non-profit agencies, and/or the use of the City's Land Bank Program properties. While not reducing the costs of moving a mobile/manufactured home, the availability of more park spaces could reduce instances where homes cannot be moved simply because there are no spaces available.

B. OPTIONS TO MITIGATE THE IMPACTS OF DISLOCATION FROM AFFORDABLE HOUSING

Whether or not Fort Collins decides to implement any of the tools discussed in section VI.a above to discourage redevelopment of affordable housing units in ways that would dislocate the residents, it may want to consider assisting affordable apartment renters or mobile/ manufactured home owners when dislocation occurs.

1. Affordable Rental Units

In evaluating options for relocation assistance for those displaced from affordable housing units, it is important to realize that the City's *Affordable Housing Strategic Plan*'s four goals and strategies for affordable housing in Fort Collins do not include providing relocation assistance to individual households dislocated by redevelopment. It is also helpful to distinguish between four different situations.

- <u>First</u>, as noted above, when federal funds or FCURA funds are involved in the redevelopment of affordable rental units, some version of the FURA requirements will apply, and relocation assistance will be available. This strategic plan need not address those situations in any further detail.
- Second, when federal and FCURA funds are not involved, but other City funds are used to support the redevelopment, or when the redeveloper requires a discretionary land use decision from the City (such as a rezoning or approval of a Project Development Plan), the City could require that the property owner/redeveloper pay relocation/moving expenses (up to a cap) in order to assist lower income residents with the financial burden of relocating to other units in a different building or complex. If that course is taken, it is likely that some or all of those relocation expenses will be considered expenses of the redevelopment project itself. As a result, the redevelopment project costs will potentially increase, the gap between the developer's available financing and project costs may increase, and the amount of assistance requested from the City may also increase. This is not always the case, however, and in some situations a potential redeveloper will be able to absorb the relocation assistance costs (or the increased private financing may be able to cover those costs) without increasing its request for City assistance.
- <u>Third</u>, when a designated affordable housing project is redeveloped regardless of whether federal or FCURA funds are involved, the non-profit entity owning or managing that project almost inevitably provides relocation assistance as part of its mission or operating procedures, because failure to do so would undermine its affordable housing mission.

Fourth, when market rate housing projects are financed without any federal, FCURA, or City financial assistance (a private project), and without the need for a discretionary land use approval by the City, it would be relatively difficult to impose an obligation to pay relocation expenses on the redeveloper. While many forms of redevelopment may require administrative, Planning and Zoning Board, or City Council approval, the criteria governing those decisions generally involves land use impacts on surrounding areas (not the impacts on past or future project residents). If relocation costs were to be imposed on private redevelopers, the information required for those approvals would have to be revised to include information on the rental rates of individual apartments and/or the incomes of renters in those apartments in order to target relocation assistance to lower income households. And since there may be "affordable" units or lower income households in any apartment (or other residential) building or complex seeking redevelopment approval, this additional level of information would need to be required for all redevelopments of existing housing projects. Finally, either the redeveloper or a financial institution would have to cover the relocation assistance costs, which would increase the costs of redevelopment (although the amount of increase would likely be small compared to the costs of the redevelopment). For all of these reasons, this strategic plan does not recommend that the City impose relocation assistance requirements on private redevelopments that do not involve City, FCURA, or federal funds and do not require a discretionary land use approval from the City.

2. Mobile Home Parks

Option 1: Additional Notice of Closure

Colorado law currently requires that owners of mobile home parks provide their residents at least six months' notice before closing the park or redeveloping it for another purpose. Length of closure notice requirements in some other states are summarized in the table below.

State	Notice of Closure Requirement
MA	24 Months
СТ	\pm 19 Months (565 Days)
NH	18 Months
DE, IL, NJ, OR, RI, WA	12 Months
AK, MN, UT	9 Months
AZ, CA, CO, MT, ND, OH	6 Months
Others	None

Although there are many variations of this requirement, CA and CO laws require notice to the homeowner, UT requires notice to the resident (regardless of whether or not they are the unit owner), and AZ, OR, WA, and ME require notice to the tenant. The purpose is two-fold: First, to give the recipient of the notice a fair opportunity to participate in any local approval process for the proposed redevelopment; and second, to provide adequate time for the home owner, resident, or tenant to find new housing in case the proposed redevelopment is approved. In UT, CA, OR, and WA, the park owner is prohibited from raising the rent on tenants during the notice period.

In practice, it is often difficult for mobile/manufactured homeowners to find a mobile home park within a reasonable distance of their job to which the mobile/manufactured home can be moved. This is particularly true if the unit is a pre-1976 mobile home (which many parks and local governments will not accept). For that reason, several states require more than 6 months' notice of closure, and one option would be for Fort Collins to increase the required notice of closure to 9 or 12 months. There is no indication that the Colorado General Assembly was attempting to pre-empt this field of law or to prohibit local governments (particularly home rule cities) from enacting notice periods longer than 6 months.

Option 2: Require a Relocation Report

A second option would be for Fort Collins to require the mobile home park owner to produce a relocation report well in advance of park closure. The cities of Kent, WA, and Eugene, OR, require a relocation report that includes information such as: the number of residents to be displaced, an inventory of mobile/manufactured home spaces available within a certain distance (e.g. 25 miles) of the park, rent schedules for those spaces, the assistance that the park owner will provide to help relocate the residents, and other resources from which residents can get financial, legal, and logistical help. The report must generally be approved by the local government, sometimes after a public hearing, and a copy of the report must be provided to each resident in the park. In Kent, WA, that report must be completed and approved before the park owner may give the mandatory 12 month notice of park closure.

Option 3: Require Payment of Relocation Costs

A third option would be for the City to require mobile home park owners or redevelopers to pay some or all of the costs of relocating mobile/manufactured homes when a park is closed or redeveloped. When payment of relocation costs is required, they are generally required to cover, but not exceed, the reasonable amount needed to relocate displaced park residents to a location of equal quality. In some cases, such as Santa Barbara County, CA, and Wilsonville, OR, the relocation amount is determined on a case-by-case basis, but in other cases it is set or capped by state statute (AZ, WA, OR), or a lump sum payment is required by the local government. The table below summarizes some of the known relocation payment provisions.

Jurisdiction	Relocation Cost Payment Requirements (Actual costs up to these caps)						
Jui isuiction	Ground-set or Triple-wide	Double-wide	Single-wide	Comments			
AZ	\$12,500	\$10,000	\$5,000				
WA		\$12,000	\$7,500	Funded by statewide \$100 title transfer fee on units over \$5,000 in value			
СТ	\$10,000 for all		•				
OR	\$9,000	\$7,000	\$5,000				
MN		\$8,000	\$4,000				
RI	\$4,000 for all		•				
FL		\$3,750	\$2,750	From state fund collected from park owners who change their use of land			
MA	Actual relocation home	cost or appraise	d value of the				
MD	10 months site re	nt for all					
NV	Actual costs for r	nove up to 150 r	niles				
DE	Maximum cost se	et by state fund					
NJ	Only requires pay	yments in specia	l circumstances				
Eugene, OR	\$21,000 OR actual cost of OR market value plus flat fee for n	of unit that can					

Jurisdiction	Relocation Cost Payment Requirements (Actual costs up to these caps)						
Jurisdiction	Ground-set or Triple-wide	Double-wide	Single-wide	Comments			
Wilsonville,	Actual costs of move up to 100 miles						
OR	OR market value of unit that cannot be moved						
Santa	Determined on a case-by-case basis, but includes increased rent in new location						
Barbara	for 12 months						
County, CA							

The definition of "actual expenses" differs by state or community, but is sometimes defined to include not only the costs paid to the mobile/manufactured home moving company but also return of damage deposits, return/payment of first/last month's rent (so the homeowner may use those funds to pay similar costs at the new location), utility reconnection fees at the new location, and temporary housing during the time the mobile/manufactured home is in transit.

Based on inquiries to two mobile/manufactured home moving companies in Colorado, it appears that the costs to move a single-wide mobile/manufactured home range from \$3,500-\$4,000, and costs for moving a double-wide can range from \$7,500-\$8,000 for short distance relocations, but both companies indicated costs could be higher based on individual circumstances and the difficulty of moving the unit. A review of relocation expenses paid to 13 mobile/manufactured home owners at the time the Bender Mobile Home Park was redeveloped shows that 12 of them provided expenses invoices equaling or exceeding the \$2,000 maximum relocation payment made available to them from the City of Fort Collins.

While relocation payments are of significant value to park residents who are dislocated, it is unclear who will bear those costs in the end. Experience suggests that many mobile home park owners do not raise rents in an attempt to recoup those expenses but instead attempt to have those costs covered by the purchaser of the mobile home park land when redevelopment occurs. However, if demand for mobile/manufactured home spaces is high and vacancy rates are low, it is possible that some mobile/manufactured home park space rents could rise. To avoid the risk of having relocation costs passed on through higher site rents, the State of Washington currently funds its relocation fund through a statewide \$100 transfer charge on all sales of mobile/manufactured home park insurers to determine whether mobile home park owners or mobile/manufactured home owners could purchase insurance to cover relocation costs in the event a mobile home park is closed, but were told that type of coverage is not available.

Option 4: Require Payment of Increased Rental Costs

¹³ Although the Colorado constitution currently prohibits the imposition of real estate transfer fees by local governments, mobile home units are not currently titled or taxed as real estate, so this option might be available.

A few local governments require that – in addition to relocation costs – the mobile home park owner or redeveloper pay any costs of increased mobile/manufactured home space rent that the relocated resident experiences for a period of time. As noted above, Santa Barbara County, CA, requires that type of assistance for 12 months. The federal Uniform Relocation Act (FURA) and the modified version of those requirements endorsed by the Fort Collins Urban Renewal Authority (FCURA) generally require payment of additional rent for a period of 42-48 months.

C. TRIGGERS AND EXCEPTIONS

If Fort Collins decides to pursue any of the options outlined in Section VI.A (to decrease the loss of affordable housing) and VI.B (to mitigate the impacts of dislocation) above, two of the key questions to be answered are:

- What redevelopment projects would be subject to these new requirements (i.e. what are the "triggers" for the application of the new requirements)? and
- Should some forms of development or redevelopment be exempt from these requirements?
- As noted above, this document addresses potential mitigation strategies when closure and redevelopment of an affordable housing project or mobile home park does not involve federal or Fort Collins Urban Renewal Authority financial assistance, since those are covered by existing legal requirements and policies. Even in this case, however, the City may want to distinguish between cases in which (a) the property owner or redeveloper is proposing redevelopment that does not involve any City financial assistance or a discretionary land use decision (a "private redevelopment", or (b) the property owner or redeveloper is applying for City funds or requires a discretionary land use approval (a "City supported redevelopment"). City-supported redevelopment might include projects that request:Financial assistance from the City for the use of Affordable Housing Fund (AHF) dollars;
- Rezoning to foster a redevelopment activity; or
- Approval of an Overall Development Plan (ODP) or Project Development Plan (PDP).

Based on the distinction between private redevelopment and City-supported redevelopment, three potential "trigger" options are:

- **Trigger Option 1:** The mitigation strategies apply to City-supported redevelopment, but not to private redevelopment:
- <u>**Trigger Option 2**</u>: The mitigation strategies to discourage redevelopment apply only to City-supported redevelopment, but the strategies to offer relocation assistance apply to all redevelopment; and
- <u>**Trigger Option 3**</u>: The mitigation strategies apply to both City-sponsored and private redevelopment.

We recommend that Trigger Option 1 be adopted, with one exception. If the City decides to proceed with the creation of a manufactured home park zoning district, it should do so in

advance of specific applications for redevelopment or requests for financial assistance in order to allow the owners of the parks that are rezoned into that new district to plan for future management and investment in light of the more limited redevelopment options available to them.

For those mobile home parks located outside the boundaries of Fort Collins, the most logical "trigger" would be a petition for annexation (whether for redevelopment, as required by the Fort Collins-Larimer County UGA Agreement, or otherwise). In other words, the City would adopt a policy that any annexation of land containing an income-restricted rental property or a mobile home park would – through the terms of an annexation agreement – be subject to the same mitigation strategies applicable to other Fort Collins properties in the same "Tier" of affordable housing potential (see discussion in Section VII b. below).

Most redevelopment projects produce significant benefits for Fort Collins – whether in increased sales and property tax, or by removing blighted or underused properties, or by generating jobs or employment – so it is always wise to consider whether some types of redevelopment should be exempted from these mitigation strategies because they produce benefits to the City that offset (or more than offset) the costs they impose on current residents of the property. Because the purpose of this strategic plan is to reduce the adverse impacts of redevelopment on affordable housing residents, however, this document only considers whether these mitigation strategies should not apply to redevelopment that creates more affordable housing than it removes.

The planning team recommends that redevelopment projects creating new affordable housing <u>not</u> be exempted from the mitigation strategies for mobile/manufactured homeowners recommended in this document, because the creation of new affordable housing does not address the unique challenges facing mobile/manufactured homeowners. More specifically, projects that result in a net increase in affordable rental units in Fort Collins still leave mobile/manufactured homeowners with the prospects of moving their mobile/manufactured home at significant expense or (if they cannot find an alternative space or the unit cannot be moved) abandoning the home on-site and losing the value of that asset. In other words, the unique nature of mobile/manufactured homes as an owned housing asset means that it is not fungible with other forms of affordable housing. Rather than exempting affordable housing redevelopment projects from these requirements, the costs involved in implementing the recommended mitigation strategies should be integrated into the costs of the proposed redevelopment.

D. SUMMARY TABLE

Strategy	Potential Benefits	Potential Challenges
	the Loss of Affordable Hous	
Tools to discourage redevelopment of affordable units not in "designated affordable" developments	• Preservation of additional affordable housing units beyond those in designated affordable buildings or complexes	 Commingling of affordable and non-affordable units in a single building or project Individual units move in and out of affordable category with market forces Existing programs focus on management of entire buildings or complexes (as "designated affordable"), not individual units within larger complexes
Manufactured Home Park Zone District	 Effective in preserving existing mobile home parks with long term potential Adds land use predictability 	 May run counter to long-term redevelopment goals for surrounding area Restricts property owner options
Incentives to preserve or improve mobile home park	 Property owner free to accept or reject the incentive Could alter economics of park operation enough to extend life of the park Could influence redevelopment plan to include more affordable housing 	 Few larger parks within the city appear to need extensive investments to stay in operation Need to identify a source of funding for incentives Potential profits from redevelopment may significantly outweigh incentives
Right of current residents to purchase the park (first right of refusal)	• Occupant ownership provides long-term stability for affordable units	 Requires significant organization and probably financial support for homeowners association Value as a mobile home park may be significantly lower than value for other uses, making it difficult to arrange financing for a competitive offer
Encourage purchase of mobile home park by third party housing entity	 Likely to protect affordability over the long term Avoids need for mobile/manufactured home owners to organize and qualify for purchase financing 	 Lack of experience in purchasing or managing mobile home parks among current non-profit housing providers Value as a mobile home park may be significantly lower than value for other uses, making it difficult to arrange financing for a competitive offer

Strategy	Potential Benefits	Potential Challenges				
Encourage the creation of new mobile home parks	 Efficient source of affordable housing Increase the number of mobile home sites available 	 May be difficult to find suitable properties (e.g., adequate size, utilities, access, etc.) Could face resistance from nearby property owners 				
Options to Mitigate the Impacts of Dislocation from Affordable Housing						
Require private apartment redevelopers to pay relocation costs	Reduces burden of relocation on lower income households	 Would require collection of significant additional information to determine which residents are eligible for assistance May slightly increase redevelopment costs 				
Require longer notice of closure for mobile home parks	• Provides added time for residents to find replacement housing	• May delay development projects that could have proceeded earlier but for the notice period				
Require a relocation report for mobile home parks	 Provides mobile/manufactured home unit owners information about alternative housing options 	Cost of researching and preparing the report				
Require payment of mobile/manufactured home moving expenses or purchase of mobile/ manufactured home at assessed value if move is impossible	 Addresses unique challenge of mobile/manufactured home ownership investment in an asset whose value could otherwise be lost or seriously reduced Recognizes that many mobile/manufactured homes are not in fact mobile due to age, deterioration, or lack of available spaces to relocate them 	 Increases redevelopment costs Requires mobile home park owners to operate a park with increasing vacancy rates (as residents move out) over a longer period of time. May be passed on in increased rents to mobile home park tenants when redevelopment is anticipated and market forces will support those higher rents May be paid by redeveloper, but that may increase amounts of City assistance required for the redevelopment or (if no City assistance is required) could affect viability and timing of redevelopment. 				
Require payment of increased rent in new housing location	• Addresses costs of relocation other than moving expenses	 Increases costs of redevelopment Likely to be passed on in increased rents to mobile home park tenants when redevelopment is anticipated and market forces will support those higher rents 				

VII. RECOMMENDATIONS

A. GENERAL

For the reasons outlined in sections I through VI above, the planning team recommends that the City of Fort Collins take the following steps to both (a) discourage the loss of current affordable rental units and mobile home parks and (b) reduce the financial burden on lower income households when dislocation from affordable units and mobile home parks occurs.

- 1. Continue to expand the inventory of "designated affordable" dwelling units, buildings, and complexes through current programs administered by the Fort Collins Housing Authority, other non-profit affordable housing agencies, and private developers; but do not attempt to delay or prevent the redevelopment of market rate rental buildings or complexes that have not received government assistance because of the administrative difficulty of identifying and protecting individual affordable units to be protected and the fluctuation of the affordability of those units with market forces.
- 2. Continue to offer relocation assistance to those residents of affordable units redeveloped with the use of federal, FCURA, or City funds, but do not extend a requirement to pay relocation expenses in private redevelopment projects that do not use public funds and do not require a discretionary land use decision by the City because of the significant additional administrative burden of identifying those eligible for relocation assistance each time residential units are proposed for private redevelopment.
- 3. Draft a Manufactured Home Park Zoning District and rezone into that district those mobile home parks that are relatively large and can serve as significant sources of affordable housing for the long term without the need for significant infrastructure investment, as identified in subsection VII.B below. This district would also be available for voluntary rezonings by mobile home parks that were not recommended for mandatory rezoning because they contain less than 50 mobile/manufactured home spaces.
- 4. Create a loan or grant program available to finance significant investments in new or existing affordable housing infrastructure that would be available to affordable housing and larger mobile home parks both within and contiguous to Fort Collins that are in the Manufactured Home Park Zone and need this assistance to remain financially viable sources of affordable housing over the long term, as identified in subsection VII.B below.¹⁴
- 5. Require a one year notice of closure period for mobile home parks (rather than the 6 month minimum notice required by the state). As an alternative, offer a six (6) month closure notice if the park owner delivers to each resident on or before the notice date a detailed Relocation Report listing all available mobile home park spaces available within 25 miles, providing the contact information for each of those park owners, and including documented estimates of the costs of moving mobile/manufactured homes to those locations. In addition, the notice provision shall also alert residents that the park may be

¹⁴ Wording revised to broaden applicability to all affordable housing infrastructure, as recommended by Planning and Zoning Board.

closed before the mandatory notice period has expired if all park residents have been successfully relocated to each party's mutual satisfaction.¹⁵

- 6. Require that mobile home park owners or redevelopers pay (a) actual costs of relocating mobile/manufactured homes to a new site within 25 miles of the redevelopment site, up to a maximum of \$6,000 for a single-wide home and \$8,000 for a double-wide home, and (b) the actual value (as determined by the County Assessor) of any home that is structurally able to be moved but that cannot be moved due to the unavailability of any spaces within 25 miles, and (c) one-half of the actual value (as determined by the County Assessor) of any mobile/manufactured homes that cannot be moved due to structural weakness or poor condition.¹⁶
- 7. Build the capacity of homeowner groups, non-profit affordable housing providers, and support organizations to purchase affordable housing types, including mobile home parks, offered for redevelopment and manage them as long-term sources of affordable housing.¹⁷

B. POTENTIAL APPLICATION TO EXISTING MOBILE HOME PARKS

As noted earlier, different mobile home parks require different levels of protection depending on their size, age, location (within a targeted redevelopment area, or not, and within, contiguous to, or separated from the City), level of current investment in homeowner and park community amenities, and potential future investments required to address known infrastructure issues. The following table indicates how the tools recommended above could be applied to each of the existing mobile home parks. A more detailed explanation of the reasons behind this categorization of the existing mobile home parks is attached as an appendix to this document.

¹⁵ Wording revised to reflect recommendations of the Affordable Housing Board.

¹⁶ Affordable Housing Board recommended that this provision be strengthened, and Planning and Zoning Board recommended that it be deleted. Recommendation remains unchanged from Public Review Draft, except that relocation cost caps recommended by the AHB have been included, and revisions to how the value of the property is determined.

¹⁷ Wording revised to reflect Planning and Zoning Board recommendation to broaden impact to include purchase of all types of affordable housing.

	MHP	Loan/	1 Year	Payment of		
Mobile Home Park	Zone	Grant	Notice of	Relocation		
Within the City Limits	District	Support	Closure	Expenses		
Hickory Village						
400 Hickory Street	✓	\checkmark	\checkmark	✓		
Harmony						
2500 E. Harmony Road	✓		\checkmark	✓		
Skyline						
2211 W. Mulberry Street	\checkmark		✓	✓		
Northstar				+		
1700 Laporte Avenue	~		\checkmark	✓		
North College (Far West Portion)		-				
1601 N. College Avenue	✓		\checkmark	✓		
Cottonwood				· · · · ·		
1330 Laporte Avenue			✓	~		
Meldrum/Cherry Street MHP						
329 N. Meldrum Street			\checkmark	✓		
Pleasant Grove						
517 E. Trilby Road	\checkmark	✓	✓	✓		
Stonecrest MHP						
1303 N. College Avenue			✓	~		
Montclair Motel						
1405 N. College Avenue			~	×		
North College (Eastern Portion)			~			
1601 N. College Avenue			v	\checkmark		
In GMA – Contiguous to City Limits						
(Tools would apply upon adoption by Larimer County or annexation to City)						
Timberridge North	~	~	1	1		
3717 S. Taft Hill Road			v	v		
Poudre Valley	✓	✓ ·	~	\checkmark		
2025 N. College Avenue				,		
Collins Aire			1	1		
401 N. Timberline Road						
Highland Manor	\checkmark					
(includes 2 non-contiguous parcels)			✓	 ✓ 		
301 Spaulding Lane						
Spaulding Lane			\checkmark	1		
242 Spaulding Lane						
In GMA-Not Contiguous to City Limit						
(Tools would apply upon adoption by Larimer County or annexation to City)						
Timberridge South MHP	\checkmark	\checkmark	~	~		
2300 W. County Road 38E						
Blue Spruce MHP	\checkmark		~	✓		
2704 N. Shields Street						
Mobile Home Park	MHP Zone District	Loan/ Grant Support	1 Year Notice of Closure	Payment of Relocation Expenses		
-------------------------	-------------------------	---------------------------	--------------------------------	--------------------------------------		
Whites MHP				1		
2131 W. County Road 38E				· ·		
Equestrian Center MHP			1			
2024 N. Whitcomb Street			, v	v		
Terry Lake MHP			-			
437 N. Highway 287			•	v		
Terry Cove						
221 W. Douglas Road			Ť	v		
Aspen				1		
400 S. Overland Trail			¥	v		
Parklane		1	1	1		
411 S. Court Street			, v	v		
Mountainview				.(
3109 E. Mulberry Street			, v	v		

C. COMPARISON TO RELOCATION ASSISTANCE AVAILABLE UNDER FURA

The relocation mitigation strategies differ significantly from those available under the Federal Uniform Relocation Act (FURA). Most importantly, four of the tools recommended – the creation of a Manufactured Home Park Zoning District and the offer of financial assistance to upgrade mobile home park infrastructure – are designed to limit or delay redevelopment, while FURA only addresses what happens when dislocation of residents occurs.

Once a decision to redevelop a mobile home park is made, the relocation assistance outlined in subsection VII.A above is not as extensive as that offered under FURA. It does not include a requirement that the mobile home park owner or redeveloper provide relocation advisory services or obligate the park owner or redeveloper to pay any portion of added costs of renting or purchasing adequate replacement housing.

VIII. IMPLEMENTATION ACTIONS

A. SHORT TERM ACTIONS (IMPLEMENT AT PLAN ADOPTION OR COMPLETION WITHIN 1 YEAR)

A	tion	Responsibility
1.	Review, modify if necessary, and adopt this strategic plan document.	• Social Sustainability Department after conducting a public involvement process which included key stakeholder groups, City advisory boards, and the general public.
		• The City Council has the ultimate adoption authority after conducting a Public Hearing and after receiving recommendations from the Affordable Housing Board, the Planning and Zoning Board, and City staff.
2.	Draft and adopt an ordinance requiring payment of relocation expenses by the mobile home park owner or	• The City Attorney's Office has the responsibility to prepare the ordinance after receiving assistance from the Social Sustainability Department.
	redeveloper, up to a cap, or payments of market value (or partial market value) of manufactures/mobile homes	• The City Council has the ultimate adoption authority after conducting a Public Hearing and after receiving recommendations from the Affordable Housing Board and City staff.
	that cannot be moved.	• If adopted by the Council, the Social Sustainability Department shall work with the Larimer County Planning Department to determine if Larimer County is willing to adopt similar requirements.
3.	Draft and adopt a new Manufactured/Mobile Home Park zoning district that would limit redevelopment options but make mobile home parks	• The City Attorney's Office has the responsibility to draft the ordinance after receiving assistance from the City's Land Use Code Team and the Social Sustainability Department.
	eligible for grant or loan programs to upgrade failing or substandard infrastructure. Consider including incentives for long-term preservation of	• The City Council has the ultimate adoption authority after conducting a Public Hearing and after receiving recommendations from the Affordable Housing Board, the Planning and Zoning Board, and City staff.
	the park, for example, waiver of some requirements to pay relocation expenses at the end of that period.	• If adopted by the Council, the Community Development and Neighborhood Services - Advance Planning Department shall work with the Larimer County Planning Department to see if Larimer County is willing to adopt similar zoning requirements.

B. LONG TERM ACTIONS (REQUIRING MORE THAN 1 YEAR FOR COMPLETION)

Action	1	Responsibility						
1.	Explore potential sources of funding for a grant/loan fund for investments in infrastructure upgrades in existing mobile home parks (including but not limited to CDBG funds, HOME funds, and the Affordable Housing Fund (AHF).	 Primary responsibility rests with the Social Sustainability Department, which may need to investigate a permanent funding source for the Affordable Housing Fund, as called for in the City's Affordable Housing Strategic Plan 2010-2014. Mobile home park property owners would need to complete applications for submittal and review through the City's competitive process for allocating financial assistance to affordable housing projects. 						
2.	Review the preliminary list of mobile home parks eligible for rezoning into the Manufactured Home Park zoning district in section VII.b above for long-term affordable housing potential and consistency with the City's other plans and redevelopment strategies, and rezone those parks on the resulting list into the Manufactured Home Park district.	 Community Development and Neighborhood Services - Current Planning Department based on the preliminary recommendations contained in this document. If the Council rezones some mobile home parks inside the City limits, the Community Development and Neighborhood Services – Advance Planning Department shall work with the Larimer County Planning Department to see if Larimer County is willing to rezone certain mobile home parks located outside of the City limits. 						
3.	Identify homeowner groups, non-profit housing owners and operators, and support groups to jointly explore (with the City) opportunities to achieve some affordable housing goals by purchasing and preserving existing mobile home parks, as well as potential sources of purchase financing.	 Mobile home unit owners within a specific park, non-profit affordable housing agencies (e.g., Fort Collins Housing Authority, CARE Housing, etc.), financial assistance agencies (e.g., Funding Partners, CHFA, etc.), City departments (e.g., Neighborhood Services, Social Sustainability, etc.) and/or national support groups (e.g., Resident Owned Communities – USA) would need to collaborate to form a legal entity. Negotiations would be necessary with willing property-owner sellers of mobile home parks. 						

C. REVISIONS TO COLORADO'S MANUFACTURED HOME ACT

Consider supporting Colorado legislation to reduce the burden of mobile home park closures on mobile home owners. Potential areas for amendments to C.R.S. 38-12-200 (the Mobile Home Park Act) and other laws regulating the status of real property could be amended to include some or all of the following:

- Increased notice-of-closure periods (beyond the six months currently required);
- Designating manufactured homes as real property rather than personal property (based on uniform legislation recently released by the Uniform Law Commission);
- Requiring or encouraging the establishment of Homeowners Associations (HOA) in mobile home park communities;
- Creating a fund to support (a) purchases of mobile home parks by mobile home HOAs or third-party owners able to preserve housing affordability, and (b) mobile home relocations when redevelopment occurs;
- Granting mobile home park HOAs a right of first refusal to purchase the park prior to redevelopment, or clarifying that Colorado cities and counties can adopt that requirement on a local option basis.

ATTACHMENTS

The following are attached as reference materials:

- 1. Former M-M Medium Density Mobile Home Park Zoning District
- 2. Zoning Recommendations
 - a. MHPs Located Inside the City Limits
 - i. Candidates for Exclusive MHP Zone District
 - ii. Candidates to Maintain Current Zoning
 - b. MHPs Located In the GMA and Contiguous to the City Limits
 - i. Candidates for Exclusive MHP Zone District After Annexation
 - c. MHPs Located In the GMA and Not Contiguous to the City Limits
 - i. Candidates for Exclusive MHP Rezoning in the County or After Annexation
 - ii. Candidates to Maintain Current Zoning
- 3. Mobile Home Park Inventory
 - a. Parks are listed in 3 groups:
 - i. Inside the City Limits
 - ii. Contiguous to the City Limits
 - iii. Not Contiguous
 - b. Inventory data includes:
 - i. Park Name
 - ii. Number of units
 - iii. Size in Acres
 - iv. Density (Units/Acre)
 - v. Year Built
 - vi. Number of Owner Units
 - vii. Owner Percentage
 - viii. Number of Renter Units
 - ix. Renter Percentage
 - x. Current Zoning
 - xi. Targeted Redevelopment Area
 - xii. Former City Zoning District
 - xiii. Dirt Streets
 - xiv. Wet Utility Issues
 - xv. Recreational Amenities
 - xvi. Ownership Location
- 4. Map showing locations of Multi-Family Affordable Housing (North of Drake Road)
- 5. Map showing locations of Multi-Family Affordable Housing (South of Drake Road)
- 6. Map showing location of Mobile Home Parks (North of Drake Road)
- 7. Map showing location of Mobile Home Parks (South of Drake Road)

1. Former M-M Medium Density Mobile Home Zoning District

The following zoning district for mobile home parks was included in the City of Fort Collins' Zoning Ordinance from the mid-1960s to 1997.

M-M Medium Density Mobile Home District

Sec. 29-271. Purpose

The M-M Medium Density Mobile Home Park District is for areas for mobile homes.

Sec. 29-272. Uses permitted.

The uses permitted in the M-M District are as follows:

- (1) Any use permitted in an R-M Medium Density Residential District, subject to all of the use and density requirements of such district.
- (2) Mobile homes on individual lots subject to all density requirements specified for a singlefamily dwelling in an R-M Medium Density Residential District.
- (3) Mobile home parks containing independent mobile homes not exceeding eight (8) units per net acre with accessory buildings and uses for storage, service and recreation.
- (4) Mobile home parks containing independent mobile homes not exceeding twelve (12) units per net acre with accessory buildings and uses for storage, service and recreation, provided that the plan for such mobile home park is shown on a Planned Unit Development plan processed, approved and recorded according to the PUD code..

Sec. 29-273. Bulk and area requirements.

The bulk and area requirements in the M-M District are as follows:

- Each mobile home park established in the M-M District shall contain a minimum of five (5) acres.
- (2) Each mobile home park established in this district shall contain a minimum width of two hundred (200) feet. In addition, there shall be a minimum width of sixty (60) feet which shall front on a public street to provide access to the mobile home park.
- (3) Minimum yard requirements in this district are as follows:
 - a. The minimum distance of any building or mobile home from any exterior lot line of the mobile home park shall be thirty (30) feet. In addition, the minimum distance of any building or mobile home from any public dedicated street shall be twenty (20) feet.
 - b. The minimum distance allowed between mobile homes and the buildings in a mobile home park shall be ten (10) feet.

MHPS	LOCATED IN THE FORT COLLINS CITY LIMITS
Candidates for Exclusive MHP Zoning District	Justifications
Harmony MHP	• Largest park (451 units, 69 acres)
	• High percentage owner-occupied (78%)
	Single- and Double-wide units
	 Owner unit improvements – carports
	• Recreational amenity – swimming pool
	Former MM Zoning
Skyline MHP	• Large park (163 units, 26 acres)
	• High percentage owner-occupied (96%)
	Single- and Double-wide units
	Owner unit improvements – carports
	Recreational amenity – swimming pool
	Former ML Zoning
Northstar MHP	• Large park (50 units, 4.5 acres)
	• High percentage owner-occupied (88%)
	Single- and Double-wide units
	Owner unit improvements – carports
Hickory Village	Reasons For MHP Zoning:
	• Large park (205 units, 32 acres)
	 High percentage owner-occupied (71%)
	Owner unit improvements – fences
	Former MM Zoning
	Reasons Against MHP Zoning:
	Located in a Targeted Redevelopment Area
	Sewer problems
North College MHP	Reasons For MHP Zoning:
(Far West Portion)	• Large park (166 units, 19 acres)
	• High percentage owner-occupied (89%)
	 Owner unit improvements – garages and carports
	Former MM Zoning
	Reasons Against: MHP Zoning
	Located in a Targeted Redevelopment Area
Cottonwood MHP	• High percentage owner-occupied (92%)
	Previous Zoning = RM
Meldrum/Cherry	 Small park (5 units, Less than ½ acre)
Street MHP	• All rental units (100%)
	• Dirt streets/parking lot
	Current NCB Zoning
	Former C Zoning
Stonecrest MHP	• Small park (25 units, 2 acres)
	• All rental units (100%)
	• Dirt streets/parking lot
	Located in a Targeted Redevelopment Area
	Current CS Zoning
	Former HB Zoning

MHP	S LOCATED IN THE FORT COLLINS CITY LIMITS
Candidates to Maintain Current Zoning District	Justifications
Montclair Motel	 Small park (10 units, 1.25 acres) All rental units (100%) Dirt streets/parking lot Located in a Targeted Redevelopment Area Current CS Zoning Former HB Zoning
North College (Eastern Portions)	 Large percentage of rental units (70%) Current CS Zoning Located in a Targeted Redevelopment Area

MHPS I	LOCATED IN THE GMA BOUNDARY CONTIGUOUS TO THE FORT COLLINS CITY LIMITS
Candidates for Exclusive MHP Zoning District After Annexation into the City	Justifications
Pleasant Grove MHP	 Large park (106 units, 13 acres) High percentage owner-occupied (72%) Single- and Double-wide units Owner unit improvements - carports
Timberridge North MHP	 Large park (281 units, 40 acres) High percentage owner-occupied (81%) Single- and Double-wide units Owner unit improvements – carports Recreational amenity – swimming pool
Collins Aire MHP	 Large park (280 units, 52 acres) High percentage owner-occupied (77%) Single- and Double-wide units Owner unit improvements – fences Recreational amenity – swimming pool
(Spaulding Lane)	• High percentage owner-occupied (100%)
Poudre Valley MHP	 Large park (332 units, 39 acres) High percentage owner-occupied (86%) Single- and Double-wide units Owner unit improvements - carports, fences
Highland Manor MHP	 High percentage owner-occupied (100%) Single- and Double-wide units Owner unit improvements – carports

MHPS LOC	ATED IN THE GMA BOUNDARY NOT CONTIGUOUS TO THE FORT COLLINS CITY LIMITS
Candidates for Exclusive MHP Zoning District Rezoning in the 	
Ű,	 High percentage owner-occupied (73%) Single- and Double-wide units Owner unit improvements - carports
Blue Spruce MHP	 High percentage owner-occupied (99%) Owner unit improvements – carports
Highland Manor MHP	 High percentage owner-occupied (99%) Single- and Double-wide units Owner unit improvements - carports

MHPS LOCATED IN THE GMA BOUNDARY NOT CONTIGUOUS TO THE FORT COLLINS CITY LIMITS

Maintain Current Zoning	Justifications
Whites MHP	• Small park (5 units, 1 acre)
	• High percentage renter-occupied (100%)
	• Dirt streets
Equestrian Center MHP	• Small park (3 units, 9 acres)
-	• Higher percentage renter-occupied (67%)
	Dirt streets
Terry Lake MHP	High percentage renter-occupied (93%)
	• Dirt streets
	Septic system
Terry Cove MHP	• High percentage renter-occupied (88%)
	• Dirt streets
Aspen MHP	• Higher percentage renter-occupied (56%)
•	• Sewer issues
Parklane MHP	Located in a Targeted Redevelopment Area
	• Sewer issues
Mountainview MHP	• Percentage owner-occupied (50%) and renter-occupied (56%)

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Ownership Location	Chicago, IL	Clearwater, FL	Clearwater, FL	Golden, CO	Golden, CO	Laporte, CO	Fort Collins	Wheat Ridge, CO	Fort Collins	Fort Collins	Fort Collins	Chicago, IL	Loveland, CO	Fort Collins	
Recreational Amenities	Pool	Pool	Pool												
sənsəl səitilitU təW								Sewer				Sewer			
Dirt (D) Streets						Δ	۵						٥	۵	
Former City Zoning District	MM	ЯL	ML	NCL	NCL	RM	ပ	MM	MM	MΜ	MM			£	
Targeted Redevelopment Area	Yes						Yes	Yes	Yes	Yes	Yes		Yes	Yes	
Current Zoning	LMN	LMN	LMN	LMN		LMN	NCB	LMN	SS	SS	LMN			လ္လ	
Renter Percentage	22%	5%	4%	%6	20%	8%	100%	29%	64%	72%	11%	28%	100%	100%	27%
Number of Renter Units	66	с	4	ი	ო	-	£	59	61	38	18	30	25	10	360
Owner Percentage	78%	95%	%96	91%	80%	92%	%0	71%	36%	18%	89%	72%	%0	%0	73%
Number of Owner Units	352	58	<u>8</u> 6	32	12	12	0	146	35	8	148	76	0	0	976
Year Built	1972	1976	1984	1957	1957	1979	1960	1972	1964	1968	1972	1970	1960	0	
contiguious to City Limits															
Density (Uniys/Acre)	6.6	6.1	6.2	10.7	13.9	16.9	13.2	6.4	10.7	10.5	8.6	8.2	13.1	8.0	
City Limits (CL) or GMA	പ	Ч	പ	С	പ	С	Ъ	СL	С	С	Ч	ы	С	С	
Size in Acres	68.78	9.95	16.49	3.27	1.08	0.77	0.38	32.11	8.98	4.40	19.40	12.97	1.91	1.25	
sinU to redmuN s'rossessA	-	61 9	102 1		15 1	13		10	1	-	-	106 1	25		1336
Park Name (Inside City Limits)	Harmony MHP	Skyline MHP		Northstar MHP	Northstar MHP	Cottonwood MHP	(Meldrum/Cherry St.)			North College MHP		Pleasant Grove MHP	Stonecrest MHP	Montclair Motel	

		1			1			
noitsod qifizianwO	Southfield, MI	Paauilo, HI	Paauilo, HI	Fort Collins	Evergreen, CO	Fort Collins	Fort Collins	
Recreational Amenities	Pool	Pool	Pool					
səusəl səitilitU təW	Sewer				Storm			
Dirt (D) Streets								
Former City Zoning District								
Targeted Redevelopment Area								
Current Zoning	ž	0	0	ž	M	ž	Ę	
Renter Percentage	19%	30%	14%	%0	14%	%0	%0	18%
Vumber of Renter Units	53	48	17	0	46	0	0	165
Owner Percentage	81%	%02	86%	100%	86%	100%	100%	82%
Number of Owner Units	228	111	104	7	286	5	30	770
Year Built	1972	1972	1972	0	1968	1969	1969	
stimiJ viiO ot suoiugitnoD	0	Yes	Yes	Yes	Yes	Yes	Yes	
(915A\svinU) vtisn9C	7.0	6.9	4.2	4.6	8.5	10.0	9.4	
City Limits (CL) or GMA	GMA	GMA	GMA	GMA	GMA	GMA	GMA	
sərəA ni əzis	က္	23.09	28.75	1.52	39.22	0.50	3.18	
Assessor's Number of Units	-	159	121	2	332	S	30	935
etimiL (Contiguous to City Limits) אוג Vame	imberridae North MHP	Collins Aire North MHP	Collins Aire South MHP	(Spaulding Lane)	Poudre Valley MHP	Highland Manor MHP	Highland Manor MHP	

Ownership Location	Southfield, MI	Fort Collins	Greenwood Village, CO	Boulder, CO	Watkins, CO	Dublin, CA	Fort Collins	Fort Collins	Fort Collins	Fort Collins	
Recreational Amenities	Pool										
səussi səitilitU təW	Sewer		Sewer	Sewer			Septic				
Dirt (D) Streets		۵				۵	۵			۵	
Former City Zoning District											
Targeted Redevelopment Area				Yes							
Current Zoning	ξ	ĸ	M	ပ	R-2	0	0	FА	Ĕ	æ	
Renter Percentage	27%	100%	44%	29%	50%	67%	93%	1%	1%	88%	35%
Number of Renter Units	79	2		18	15	2	25	0	0	2	177
Owner Percentage	73%	%0	56%	71%	50%	33%	7%	%66	%66	12%	65%
Number of Owner Units	214	0	14	4	15	-	2	24	17	m	333
Year Built	1972	1989	1970	1958	1966	0	1962	1966	1969	1970	
stimid to City Limits		1		٩	No	٩	٩	٩	٩	No	
Density (Uniys/Acre)	7.2	4.5	14.3	8.5	6.9	0.3	6.3	4.1	5.1	6.0	
City Limits (CL) or GMA	GMA	GMA	GMA	GMA	GMA	GMA	GMA	GMA	GMA	GMA	
sərəA ni əsið	40.62	1.12	1.75	7.31	4.34	9.52	4.30	5.92	3.34	4.01	
stinU to redmuN s'rossessA	3	പ	25	62	30	ო	27	24	17	24	510
ດ (suougifnoJ foV) ອmsN ່າກ ເ	South MHP	White's MHP	Aspen MHP	Parklane MHP	Mountainview MHP	Equestrian Center MHP	Terry Lake MHP	Blue Spruce MHP	Highland Manor MHP	Terry Cove MHP	•







