



# “Kicking the Can” Manufactured Home Replacement and Energy Efficiency Programs

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# The Moment: “Kicking the Can”



Oregon Housing and Community Services



# Why... Oh why...?

## Why do we do this???



# How Many Households?

290,194

residents or roughly

8%

live in

139,127

manufactured homes  
in Oregon

**This is comparable to  
the share of  
manufactured homes  
nationwide**



# Homeownership

Manufactured home residents are more likely to own their homes compared to residents of all other types of housing.

77%

of manufactured home residents own their homes

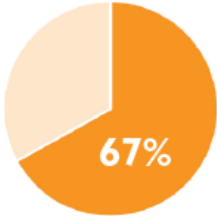


61%

of residents in other types of housing own their homes

## HOME FINANCING

Owners of manufactured homes are less likely to have a mortgage and, presumably, more likely to have a personal property loan. Why does this matter? Personal property loans tend to have higher interest rates, shorter prepayment periods and fewer protections for owners. Plus, homes financed with personal property loans tend to be titled as personal property, like cars, which depreciate. This makes it much harder for homeowners to build wealth through homeownership.



All Other Homeowners with a Mortgage



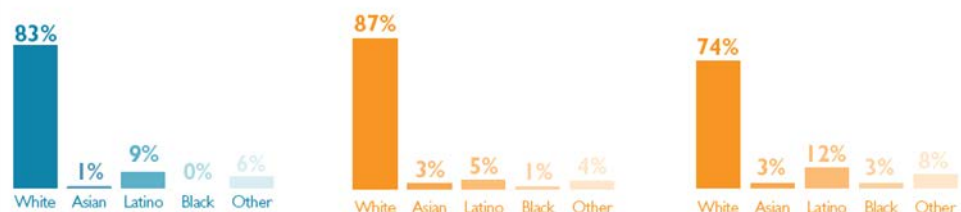
# Demographics by tenure

## MEDIAN HOUSEHOLD INCOME



## RACE/ETHNICITY

Manufactured home residents are more likely than homeowners as a whole and less likely than renters to be non-White



## SNAP BENEFITS

More than one in five owners of manufactured homes receives benefits from the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps. Owners of manufactured homes are more than twice as likely to receive SNAP benefits compared to all homeowners, but are less likely than renters to receive benefits.

### OWNERS OF MANUFACTURED HOMES



### ALL HOMEOWNERS

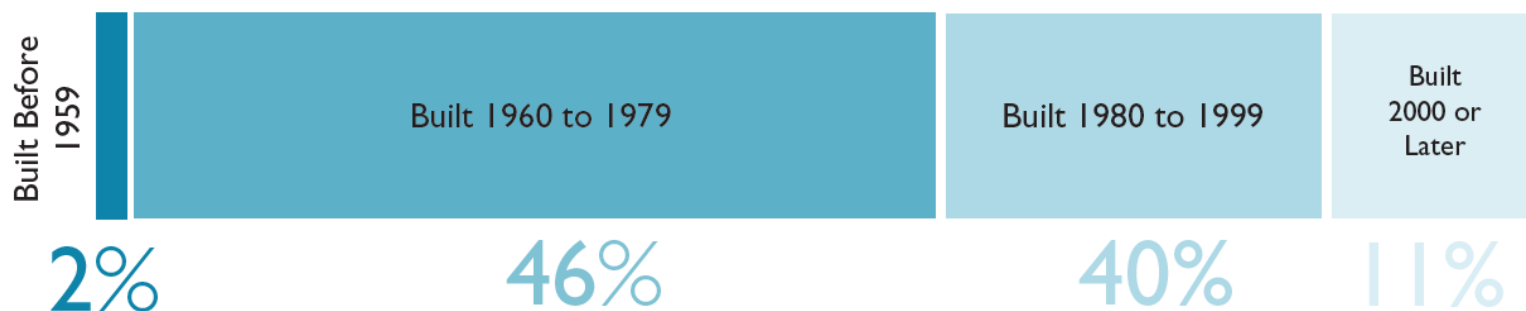


### ALL RENTERS



# In what condition are most manufactured homes?

More than two in five manufactured homes in Oregon were built before 1980.



Homes in Oregon are much more likely to be pre-HUD code than those nationwide



# Oregon: Where are they?

**Manufactured Homes by Oregon Counties Based on 2017 ACS Data**

Oregon County Name	Total Housing Units	Number of Housing Units That are Mobile Homes	Percent of Housing Units That are Mobile Homes	Number of Mobile Homes Located in Parks	Number of Mobile Homes Located Outside Parks
Baker	8,971	1,381	15.4%	145	1,236
Benton	37,789	2,263	6.0%	1,207	1,056
Clackamas	163,650	10,471	6.4%	6,477	3,994
Clatsop	22,174	1,236	5.6%	754	482
Columbia	21,007	3,036	14.5%	1,048	1,988
Coos	30,870	4,798	15.5%	1,288	3,510
Crook	10,569	1,557	14.7%	467	1,090
Curry	12,847	2,527	19.7%	1,127	1,400
Deschutes	85,012	5,861	6.9%	2,248	3,613
Douglas	49,838	9,590	19.2%	3,726	5,864
Gilliam	1,070	146	13.6%	74	72
Grant	4,371	933	21.3%	186	747
Harney	3,870	925	23.9%	141	784
Hood River	9,697	1,173	12.1%	341	832
Jackson	93,704	12,558	13.4%	6,397	6,161
Jefferson	9,951	2,132	21.4%	413	1,719
Josephine	38,603	6,289	16.3%	1,549	4,740
Klamath	33,302	5,719	17.2%	1,731	3,988
Lake	4,503	1,053	23.4%	96	957
Lane	160,440	14,162	8.8%	7,592	6,570
Lincoln	31,200	3,945	12.6%	1,045	2,900
Linn	49,688	5,736	11.5%	2,773	2,963
Malheur	11,806	2,018	17.1%	679	1,339
Marion	124,317	11,009	8.9%	6,506	4,503
Morrow	4,558	1,389	30.5%	410	979
Multnomah	337,821	6,453	1.9%	5,087	1,366
Polk	31,403	2,373	7.6%	1,028	1,345
Sherman	943	202	21.4%	22	180
Tillamook	18,789	2,154	11.5%	498	1,656
Umatilla	30,172	4,538	15.0%	1,737	2,801
Union	11,684	1,742	14.9%	541	1,201
Wallowa	4,158	678	16.3%	65	613
Wasco	11,600	1,702	14.7%	751	951
Washington	223,394	5,504	2.5%	3,989	1,515
Wheeler	984	179	18.2%	179	179
Yamhill	38,286	4,053	10.6%	2,274	1,779
<b>Oregon</b>	<b>1,733,041</b>	<b>141,485</b>	<b>14.2%</b>	<b>64,412</b>	<b>77,073</b>





# Where are most manufactured homes located?

**62,424**

of the manufactured homes  
in Oregon or

**45%**

are located in

**1,072**

manufactured home  
communities

## LEGEND

Number of spaces

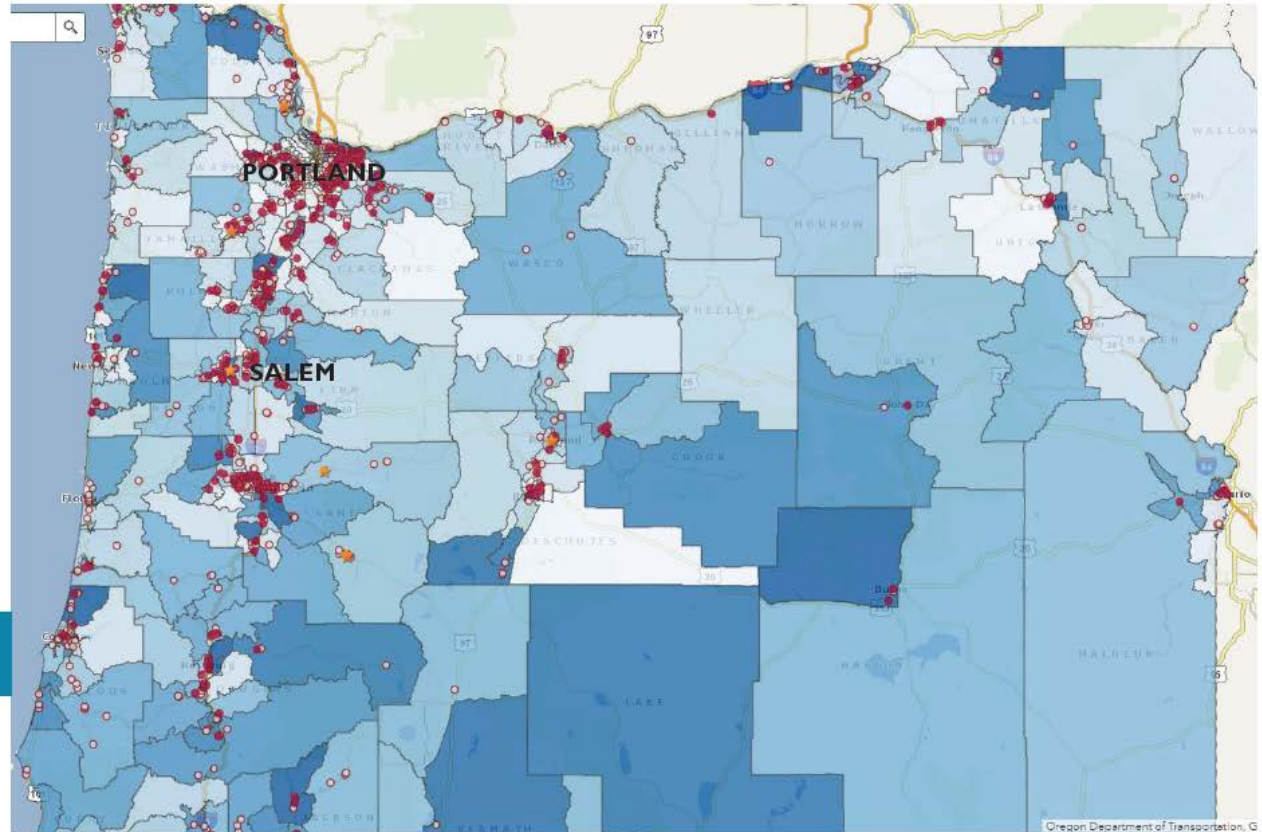
● 50 to 499

○ 4 to 49

Number of households in poverty  
living in pre-1980 manufactured homes



<0                      150                      >301



Source: ArcGIS map provided by Oregon Housing and Community Services, Housing Stabilizations Division, January 2017, <http://www.oregon.gov/ohcs/Pages/manufactured-dwelling-park-directory-oregon.aspx>.



# Manufactured Homes as Affordable Housing

THE SATURDAY EVENING POST

**Housing Shortage Relieved  
With Trailer Coaches . . .**

*A Home-Dream come True!*

LOOK INSIDE a modern trailer coach. You'll find the real life answer to your home dreams. . . . You'll be amazed at the comfort, convenience and efficiency built into these mobile homes. . . . real HOMES that are easing the need for small-family dwellings in towns and cities all over the United States. THE PRIVACY and handiness of a 3 room apartment are coupled with the mobility of an automobile—plus freedom from unnecessary obligation and expense. Study the pictures above. . . . think how happy you'd be in A HOME OF YOUR OWN! And after this emergency is over, your sturdy, mobile home will be valuable for vacation use.

RIGHT NOW YOU CAN GET a modern, roomy trailer coach.

(The manufacturers are straining every expanded facility to produce the thousands of trailer coaches so desperately needed in our house-hungry nation—and they are succeeding!)

INDIVIDUALS and communities needing small dwellings will do well to see 2-dealer handling trailer coaches bearing the *Trailer Coach Manufacturers' Seal of Approval*. FHA and other agencies are approving hundreds of projects employing trailers—by not yours!

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- \$28,400 median annual income in manufactured homes
- \$51,939 median annual income in single family, site-built homes
- Largest source of “naturally occurring” affordable housing
- Avg cost of single-wide home: \$42,000

Oregon Housing and Community Services

# OHCS Low Income Weatherization Assistance

## Current Annual Funding

Program	Source	Annual Funding	Program Area
Energy Conservation Helping Oregonians (ECHO)	State	\$8.6 million	Weatherization
Bonneville Power Administration (BPA)	Federal	\$1.5 million	Weatherization
LIHEAP Weatherization	Federal	\$5.2 million	Weatherization
USDOE Weatherization Assistance Program (DOE WAP)	Federal	\$2.2 million	Weatherization
<b>Total</b>		<b>\$17.5 million</b>	



# OHCS Low Income Weatherization Assistance Housing Types Served (2012-2017)

## All Agencies

Year	Total Completions	# MH's	MH%	# SB	SB%	# MF	MF%
2012	1356	545	40%	566	42%	245	18%
2013	1824	685	38%	869	48%	270	15%
2014	1758	693	39%	716	41%	349	20%
2015	1757	838	48%	735	42%	184	10%
2016	1418	675	48%	502	35%	241	17%
2017	1369	670	49%	585	43%	114	8%



# OHCS Low Income Weatherization Assistance % of Manufactured Homes Served by Agency

Individual Agencies July 1, 2017 - June 30, 2018

Agency	County Served	MH%
ACCESS	Jackson	80.0%
NIMPACT	Crook,Deschutes,Jefferson	71.0%
CCWX	Clackamas	67.0%
MCCAC	Hood River, Sherman,Wasco	67.0%
UCAN	Douglas,Josephine	67.0%
YCAP	Yamhill	62.0%
CCNO	Baker,Grant,Union.Wallawa	58.0%
CAT	Columbia, Tillamook,Clatsop	57.0%
CAPECO	Gillam,Morrow,Umatilla,Wheeler	50.0%
MULTCO	Multnomah	45.0%
CSC	Benton,Lincoln,Linn	41.0%
OHDC	Klamath,Lake	40.0%
CAO	Washington	40.0%
CINA	Harney,Malheur	38.0%
HFG	Lane	32.0%
MWVCAA	Marion,Polk	30.0%
ORCCA	Coos,Curry	27.0%

Oregon Housing and Community Services



# Governor Brown's EO 17-20, Directive 5B

## Prioritizing Energy Efficiency in Affordable Housing to Reduce Utility Bills:

- OHCS is directed to expand its existing multi-family energy program and green energy path requirements, including a manufactured home replacement program through pilot programs and initiatives, while considering multiple values from energy efficiency improvements, such as health and habitability.





# The Challenge

*By December 31st, 2018 the Department will develop and implement a co-investment strategy for the replacement of pre-HUD manufactured homes.*

*\$5 million dollars in funding commitments towards the replacement of one-hundred(100) pre-HUD code manufactured homes.*

*By December 31<sup>st</sup>, 2019 these manufactured units will be decommissioned ,replaced and occupied with new energy efficient manufactured homes.*



*Bonneville Power Administration began authorizing community action agencies that deliver weatherization services the ability to redirect weatherization funding using dollars for consumer –owned service territories to replacement purchases of pre-1980 units.*

- *Community action agencies will be able to invest up to \$7,500 per unit with this funding source.*





# Manufactured Home Replacement Pilot

- Partnership between housing, energy and community development organizations
- Goal is to better understand energy impact, quality of life improvements, project costs, barriers to participation and key elements of a successful program design
- Create a scalable financial model for leased land communities



# Example project

## PROJECT

**ESTIMATED** Cost                      \$70,000  
**needs verification by partners**

Includes purchase, removal of old unit, site prep, delivery, EE installation, temporary relocation, emergency/maintenance reserve.

Incentives                                (\$35,000)

Loan Fee                                    \$875

**Loan Amount                            \$35,875**

## FINANCING

Gross annual HHI                        \$27,500

Gross monthly Income                 \$2,292

Monthly Space rent                     \$350

**Monthly Loan Payments               \$312**  
*(at 6.49%, 180 months, \$875 loan fee)*

## STATS

Est. Average Monthly Energy Savings    (\$40)

Housing costs as % of gross income    29%

Max LTV Target *may increase with lender discretion*    ~65%



# Tracking loan outcomes



- **Lending activity and performance:** #/\$ lent, late payments, default rate
- **Energy and Carbon savings**
- **LMI households served**
- **Housing stabilization/wealth building**
- **Workforce development:** job hours performed
- **Health benefits:** partner surveys
- **Cost-savings:** pre/post energy consumption



# Oregon Legislature 2019

## HB 2894

- Establishes a \$2,000,000 supplemental home loan program to provide subordinate home loans for individuals purchasing new energy efficient manufactured dwellings that replaces an older, energy inefficient manufactured dwelling that has been properly decommissioned and permanently disposed of.
- Eligible homeowners are individuals with household income at or below 100% of median income



# Oregon Legislature 2019

## HB 2895

- Establishes a \$500,000 program administered by Oregon Housing and Community Services Department (OHCS) to provide grants to homeowners to pay up to 80% of the cost to decommission and properly dispose of an older manufactured dwelling.
- Eligible homeowners must be individuals with household income at or below 100% of median income as established by OHCS
- Homes owned by non-profits, housing authorities, or resident owned cooperatives are also eligible.



# Oregon Legislature 2019

## HB 2896

- Provides \$3,000,000 for a loan to a non-profit Community Development Financial Institution (CDFI) to establish an acquisition fund for manufactured home parks.
- Borrowers of the fund must be resident owned cooperatives, non-profit corporations, or public housing authorities.
- The manufactured home parks must serve predominantly households with incomes at or below 100% of median income



# Oregon Interactive Mapping

## Oregon MH Assessment Map

