

Reimagining Virginia's Mobile and Manufactured Home Parks

Virginia Housing

Rental Housing: Preservation and Rehabilitation

HFA Staff Contact

Yilla Smith

yilla.smith@virginiahousing.com

VIRGINIA HOUSING

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ENTRY CATEGORY:

Rental – Preservation and Rehabilitation

ENTRY NAME:

**Reimagining Virginia's Mobile and
Manufactured Home Parks**



“We need driven, creative, forward thinking partners to initiate change and to fulfill our mission. Manufactured housing is such an important piece of the affordable housing puzzle and we need such partners to not only preserve what we have, but to constantly innovate and strive to improve our communities”

- Chris Thompson, Director of Strategic Housing

Brief Description

In many localities, manufactured housing communities (also referred to as mobile home parks), are present in both rural and urban areas of Virginia and are one of the only sources of affordable market-rate housing options for lower-income households in many localities. However, many low-income households living in manufactured housing communities are in very insecure housing situations, as increases in land values and costly maintenance issues threaten the closure of manufactured housing communities, which are often nonconforming uses under current local zoning. In the Richmond metropolitan area alone, a total of 45,900 people occupied nearly 13,000 homes in manufactured housing communities, according to a report presented to the Virginia Housing Commission in 2016 as part of its review of the seriousness of the problem across the state. The Commission found that substandard and deteriorating infrastructure and deferred maintenance continue to threaten the possible shutdown or removal of many manufactured housing communities due to health and safety concerns, and costly repairs.

Virginia Housing is working with non-profits and localities to preserve and revitalize mobile home communities in Virginia with financing mechanisms to support the introduction of new, and in some cases innovatively designed, manufactured homes. Over the years, we have engaged communities across the state to encourage the preservation or rehabilitation of an estimated 468 units of affordable housing in various manufactured housing communities. Here are some examples of how Virginia Housing has championed this cost-effective and innovative approach to preserve and rehabilitate rental housing, thus improving the lives of households and communities of color and other historically underserved groups residing in manufactured home communities across the state.

- **Bermuda Estates, Richmond, Virginia:** This community of manufactured homes was purchased by project:HOMES with equity partner Vibrant Communities Drive Change (VCDC) in September 2020. Together these nonprofit organizations, with support from Virginia Housing, aimed to improve the quality of life in Bermuda Estates, prevent displacement and eliminate the stigma associated with manufactured housing communities. At acquisition, the community included 52 mobile home units of various ages and states of repair, across 7.8 acres. The redevelopment of Bermuda Estates included major infrastructure improvements, home repairs at no cost to residents, unit replacement, community engagement, and the development of a Community Resource Center. Using internally generated funds from Virginia Housing’s REACH *Virginia* program, project:HOMES was able to address the cost of land and infrastructure, ensure that individuals would own their homes by providing long-term, below-market mortgages to wrap all of the development costs into one loan, and ensure affordable lot rental fees and that every aspect of the community would receive improvements: housing, roads, parking, lighting, and drainage.
- **East End Mobile Home Park, Manassas, Virginia:** This 7-acre mobile home park included 56 mobile homes under lease. Catholics for Housing (CFH) purchased the park in 2018, saving the community from condemnation due to long-standing water and sewerage issues, preventing the displacement of residents. Virginia Housing helped CFH engage with residents in the development of a Community

Revitalization Plan to identify a long-term vision for the community and to collaborate with stakeholders on continued upgrades for the community.

Why It Is Meritorious and Meets NCSHA Award Judging Criteria

Innovation

Virginia Housing recognized that the preservation and revitalization of aging mobile home parks would be an innovative and effective tool to increase affordable rental housing and prevent the displacement of residents. Key innovative strategies delivered by this approach include:

- Encourages resident/tenant support and empowerment with an emphasis on retention and eliminating the need for residents to relocate.
- Virginia Tech’s use of smart technology to monitor long-term home performance.
- Promotes resident ownership with loan products to ensure long-term affordability.
- Reduced stigma around manufactured home communities, increased education and advocacy.

Replicable

Over the years, Virginia Housing has engaged communities across the state to encourage preservation or rehabilitation of an estimated 468 units of affordable housing in various manufactured housing communities. Virginia Housing’s support and financial assistance to encourage the planning, engagement and financing of new units in manufactured home communities is easily replicable, as demonstrated by:

- Virginia Housing provided project:HOMES with an innovation grant to create a higher quality manufactured home product in Bermuda Estates, which project:HOMES intends to replicate and make available locally.
- New community revitalization effort underway in **Sleepy Meadows**, a mobile home park near Dillwyn, Buckingham County. Sleepy Meadows is an existing 17-site mobile Home park wherein all units are owned by one landlord and rented to each household. Virginia Housing provided a pre-development loan used for design and pre-development research to aid in the improvement of site infrastructure and the replacement of sixteen new manufactured units. Virginia Housing will provide permanent financing to pay-off the land acquisition and construction lending.

Response to an important state housing need

Affordable homes lead to successes that reach far beyond their property lines. By investing in the places where Virginians live, Virginia Housing is working to transform neighborhoods for the good of all. Revitalizing manufactured home communities helps create and preserve affordable housing by:

- Retaining affordable housing while laying groundwork to improve housing and neighborhood conditions.
- Significantly reducing the cost of creating additional affordable rental units.
- Preventing displacement or relocation of affordable housing in Hispanic and underserved communities.

Demonstrate measurable benefits

Manufactured homes are built to high standards and can be constructed at a price point low enough to meet the growing affordable housing needs of cost-burdened and low-income renters. Manufactured homeownership can build equity and support financial stability, and can be a viable affordable housing option for renters in situations where a single owner owns both property and homes, or the more classic model where one entity owns the land and charges rent to locate a manufactured home on the pad.

Proven track record

Mobile home communities are at significant risk of redevelopment and revitalization, however intervention strategies such as those spearheaded by Virginia Housing and our partners ensure the residents remain in place and homes have long-term affordability. Preservation, especially when coupled with acquisition by a mission-focused partner, has proven to be an effective way to maintain the inventory of affordable housing and minimize the displacement of residents.

Benefits that outweigh costs

The benefits significantly outweigh the cost and address the growing affordable housing needs of low- and very low-income households. The cost to build a single-wide manufactured home is \$50,000, for one-floor, single-family unit ranging from 500-1,100 square feet, with up to three bedroom. That is a third of the cost to build a single-family home of equivalent scope and size using traditional stick-built construction methods. Additional benefits include:

- Addresses health and safety concerns and improves existing mobile home communities.
- Enhances manufactured homes to maintain value and incorporate energy-efficiency measures and quality levels above industry standard.
- Increases local government awareness to influence policy.
- Manufactured housing addresses the shortage of contractors available to build affordable rental housing in rural areas.

Demonstrate the effective use of resources

Each home is required to meet Virginia Housing’s design and construction standards. In addition, the model demonstrates effective use of resources to leverage long-term financing for affordability, along with cash-out equity to support improvements and additional subsidy level to ensure sufficient cash flow.

Effectively employs partnerships

This effort demonstrates the necessity of strong partnerships to advance new affordable housing opportunities for renters. Virginia Housing’s ongoing relationship with state membership group, Virginia Manufactured and Modular Housing Association, and local nonprofits were critical, as well as local governments who stepped up to demand better conditions for residents.

Achieve strategic objectives

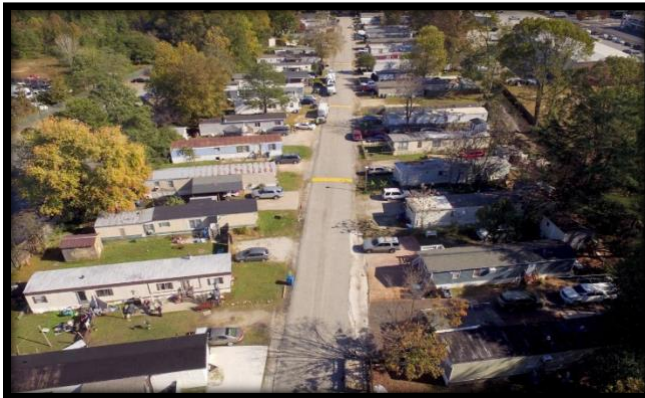
Virginia Housing remains committed to increasing local capacity to develop and manage affordable housing and provide access to thriving and more inclusive communities. In addition, we remain committed to the preservation and expansion of affordable rental housing that provides access to quality living environments. This effort aligns with the following goals from our Opportunity 2025 Strategic Plan:

- Address State Housing Needs by Partnering with the Housing Delivery Network
- Address Unmet Rental Needs of Low-income and Critical Needs Populations

Conclusion

Virginia Housing’s efforts to promote the preservation and rehabilitation of affordable rental housing for households and communities of color and other historically underserved groups is demonstrated by our dedication and effective use of our own resources to support the revitalization of mobile home and manufactured home communities. Virginia Housing remains committed to engaging communities through the facilitation of new ideas, new products, expanded partnerships, and new concepts that showcase new affordable rental options for Virginians. The initiative is an innovative, measurable and cost-saving approach that can be replicated through partnerships and effective use of resources.

Attachments: Photos of Bermuda Estates, Richmond, Virginia



Attachments: Photos of East End Mobile Home Park, Manassas, Virginia



Attachments: Photos of Sleepy Meadows

