

**REVENUE: No revenue impact**

**FISCAL: No fiscal impact**

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**Action:** Do Pass as Amended and Be Printed Engrossed

**Vote:** 4 - 0 - 1

**Yeas:** George L., Monnes Anderson, Starr, Metsger

**Nays:** 0

**Exc.:** Deckert

**Prepared By:** Janet Adkins, Administrator

**Meeting Dates:** 5/9, 5/23

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**WHAT THE MEASURE DOES:** Authorizes the formation of nonprofit manufactured dwelling park cooperatives and makes them eligible for existing housing loan and technical assistance programs. Specifies that membership in cooperatives is limited to home owners who do or will occupy a home in the park. Prohibits members from selling memberships for more than the amount they paid adjusted for cost-of-living increases. Authorizes the Housing and Community Services Department to provide second lien loans. Increases from 25 to 50 percent the level of loan that may be guaranteed by the department's Guarantee Fund. Specifies that eligibility for program loans is based on a significant percentage (not all) of residents meeting low income thresholds. Provides consistent income eligibility restrictions throughout the housing statutes and revises the definition of elderly from 58 to 55 in compliance with Federal Fair Housing Law. Requires the Land Conservation and Development Commission to report to the 2009 Legislative Assembly on providing sites and streamlining land use requirements related to urban growth boundary expansion for affordable housing, including new manufactured home parks.

**ISSUES DISCUSSED:**

- The high cost of displacement and relocation for residents
- Enabling existing programs to be more effective
- Importance of legal structure in the measure
- Gap financing loans
- No new resources required
- Success of New Hampshire model
- Whether to allow new mobile home parks outside urban growth boundaries

**EFFECT OF COMMITTEE AMENDMENT:** Adds requirement for report from the Land Conservation and Development Commission. Modifies eligibility language in the measure to allow an existing Single Family Program to continue to serve the populations it is currently serving.

**BACKGROUND:** Current law permits the Housing and Community Services Department to help finance the construction of housing, but somewhat different policies and financing are needed for nonprofit manufactured home park cooperatives. According to the department, the state currently has 1,300 manufactured home parks and many are considered part of the state's affordable housing stock. Many parks are being lost due to increasing land values and pressure to convert the land to other uses.

House Bill 2096-A would enable preservation of a park if residents are helped to secure financing and competitively bid for the property as a resident cooperative. The measure makes loans from state programs available, makes loans from private lenders less risky by increasing the portion of a loan that may be guaranteed by the state, and allows the department to provide "gap" financing for amounts over what the private market typically loans.

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***This summary has not been adopted or officially endorsed by action of the committee.***