

**Homes For All 2018 Policy Agenda Proposal Application**

Thank you for applying to have your organization's policy proposal considered by Homes For All for possible inclusion on its 2018 policy agenda. This application form, plus the Core Values Alignment Table, must be completed in full for every proposal to be considered. Completed application forms must be emailed to Homes for All Policy Committee Co-Chairs (Libby & Fatima) by **October 17, 2017**. *Late or incomplete applications may not be considered.*

Name of organizations: All Parks Alliance for Change (APAC), Aeon and Housing Justice Center (HJC)

Brief description of your proposal: See attached  
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Is this a multi-year proposal, or targeted for only one year?

It is a proposal for the 2018 Legislative session to facilitate multi-year activities.

What level of support are you requesting from Homes for All: Legislative Agenda or Homes for Endorsement?

Legislative Agenda

If you are requesting that Homes for All put this item on our Legislative Agenda, will your organization move this proposal forward even without the leadership of Homes for All? Will your organization commit to working on the policy agenda of Homes for All even if your proposal does not make it on the agenda this year?

The organizations will move forward regardless of inclusion in the Homes for All Policy Agenda. The organizations will commit to working with Homes for All's Policy Agenda regardless of inclusion of this proposal.

What kind of resources are you able to bring to support advancement of your proposal?  
(Example: dedicated lobbyist; community of engaged supporters; effective social media or communications plan; etc.)

APAC: dedicated lobbyist, community of engaged supporters, effective social media support; committee testimony; political support. Aeon: engaged supporters, social media support; communications plan; political support, testimony. HJC: statute drafting, engaged supporters; testimony.

All proposals will be assessed to make sure they are consistent with the core values of Homes for All. Please review and complete the attached table and include it with your completed application form. Scoring on this table is one of several criteria used by Homes for All in determining our Legislative Agenda.

## DESCRIPTION OF PROPOSAL AND CORE VALUES ALIGNMENT CRITERIA

APAC, Aeon, and HJC propose to amend two manufactured home park statutes to create effective tools to fight the loss of these affordable housing resources and to foster purchase of parks by cooperatives and non-profits. A June 2016 Metropolitan Council report<sup>1</sup> demonstrated the importance of manufactured homes as an affordable housing resource. The report concluded that manufactured homes "stand out as an especially important source of housing affordable to some of the region's most economically vulnerable residents,"<sup>2</sup> offering homeownership opportunities "to families for whom ownership is otherwise difficult or not possible."<sup>3</sup> Manufactured home parks in the region are threatened with closure due to redevelopment and by failing infrastructure.<sup>4</sup> The report went on to indicate that nearly a quarter of metro park residents are Latino, compared to 6% in the region, so that park closures "can have a disproportionate impact on residents of color."<sup>5</sup> Since the report was written, two metro area parks have been closed for redevelopment: Lowry Grove in St. Anthony and Southgate in Bloomington. With loss of 176 home lots due to these closures, the metro area had 14,117 manufactured homes in 81 parks with about 37,000 residents in 2017.<sup>6</sup> Statewide, there are about 180,000 manufactured home park residents.<sup>7</sup>

We propose legislation covering two related areas for the 2018 Legislative session. One part is aimed at closing the loopholes in the current statute which provides a right of first refusal (ROFR) for residents seeking to purchase and preserve parks that are being sold to a buyer who intends to close that park community.<sup>8</sup> The recent Lowry Grove case illustrates the need for amendments to the current ROFR statute. The current statute literally provides that residents lose their ROFR right if the park owner illegally sells the park in violation of the statute – our revision eliminates this provision.<sup>9</sup> The litigation also exposed a number of other flaws in the current legislation which are addressed in our revision.

The second part, the Opportunity to Purchase proposal, provides residents with a right to make an offer, typically through a cooperative or non-profit, to purchase a park before it is sold. It is modeled after a New Hampshire statute which has led to a quarter of the state's parks (over 120) being cooperatively owned. The key current disadvantage of owning a manufactured home in an investor-owned park is the instability and insecurity that result from a profit-motivated entity owning the land. The proposal will foster cooperative and non-profit ownership, which: eliminate that basic instability and insecurity; stabilize rents and promote affordability; ensure investment in park improvements; provide continuity of housing, job, and educational

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<sup>1</sup> Available at: [http://www.metrocouncil.org/Council-Meetings/Committees/Metropolitan-Council/2016/6-8-16/0608\\_2016\\_Manufactured-Home-Park-Equity-Grant-Repo.aspx](http://www.metrocouncil.org/Council-Meetings/Committees/Metropolitan-Council/2016/6-8-16/0608_2016_Manufactured-Home-Park-Equity-Grant-Repo.aspx)

<sup>2</sup> Id. at pg. 3.

<sup>3</sup> Id. at pg. 6

<sup>4</sup> Id. at pg. 5.

<sup>5</sup> Id. at pg. 9.

<sup>6</sup> <https://metrocouncil.org/Data-and-Maps/.../Manufactured-Home-Parks-in-2017.aspx>.

<sup>7</sup> 2000 Census.

<sup>8</sup> Minn. Stat. § 327C.095 Subds. 6 and 7.

<sup>9</sup> Minn. Stat. 327C.095 Subd. 9.

opportunity; permit better home financing options; and increase the likelihood of home value appreciation, and so preservation of low-income home owners' investments.

These proposals were developed with the cooperation of Northcountry Cooperative Foundation, which has converted ten parks to cooperative ownership, providing for long-term preservation of housing for over 780 households. The proposals were extensively discussed over the summer by a group which also included Minnesota Housing Partnership, the Family Housing Fund, the Minnesota Housing finance Agency, and Greater Minnesota Housing Fund.

APAC has effectively represented manufactured home park residents fighting against park closures and exorbitant increases in rent and fees, and for the right to organize and better conditions. Founded in 1980, APAC first worked to eliminate no-cause eviction and to create new storm shelter standards. These efforts eventually led to a special section of state law for manufactured home parks (Minnesota Statute 327C), including the state's Manufactured Home Relocation Trust Fund providing relocation assistance when parks close that APAC lobbied for in 2007 and most recently APAC's work secured a substantial increase in Relocation Trust Fund payments for displaced residents in the 2016 session. Aeon has been a major force creating and preserving affordable housing in the Metro area. It agreed to exercise the ROFR rights on behalf of Lowry Grove residents and was a co-plaintiff with them in the lawsuit which unsuccessfully challenged the rejection of the preservation offer. Aeon is committed to work on future park purchases and preservation. A major part of HJC's mission is the preservation of affordable housing and the organization has represented park residents faced with displacement in more than a dozen parks for more than a decade. HJC will continue to work with resident organizations on park closure and park purchase issues.

We believe that these statutory changes will substantially advance our work in preserving parks as an affordable housing resource and converting them to responsible ownership. The proposal supports the continuum of housing and services by advancing the conversion of parks to cooperative and non-profit ownership and by preserving the declining supply of this affordable resource. It strengthens the connection between housing and services in two important ways: preserving and enhancing social capital in these often tight-knit communities; and with cooperative or non-profit ownership, facilitating delivery of services such as tutoring, weatherization, and social or financial counseling. It reduces barriers and improves access to stable housing by providing tools to prevent displacement and to help convert parks to long term stable ownership. It promotes choice in housing by helping to preserve housing that provides ownership opportunities for housing that is disproportionately occupied by very low income and minority households.

## Homes for All Policy Proposal Assessment: Core Values Alignment Criteria

<b>Name of Organization:</b> <u>All Parks Alliance for Change (APAC), Aeon, and Housing Justice Center (HJC)</u> <b>Proposal:</b> <u>Amendment of manufactured home park Right of First Refusal statute; introduction of manufactured home park Opportunity to Purchase statute.</u>				
Does this proposal support the continuum of housing and services?	Does this proposal strengthen the connection between housing and services?	Does this proposal reduce barriers/improve access to stable housing?	Does this proposal promote choice in housing?	
10 – Will directly and substantially contribute to the housing/services continuum by adding new or expanding/improving existing	10 – Will significantly strengthen existing connection in clearly articulated ways	10 – Will remove an endemic barrier or create a new point of entry for unmet needs or unserved population	10 – Will significantly expand the range of options for those who currently have very few available options	
5 – Will somewhat support the housing/services continuum but not substantially	5 – Will create new connection where none is currently	5 – Will help alleviate but not remove barrier, or provide some but not full access to stable housing	5 – Will provide some limited options that do not currently exist	
2 – Will have a nearly insignificant impact on the housing/services continuum	2 – Will parallel existing connection but not create new or expand existing connection	2 – May contribute minimal impact on barrier or provide slight improvement in access	2 – May provide insignificant increase in options, or rest on the assumption of free choice in market	
0 – Will have no impact on the continuum	0 – Does not appear it will strengthen the connection and/or will perpetuate existing separation	0 – Does not appear it will either remove barrier or increase access to stable housing	0 – Does not appear it will promote choice in housing	
Comments: 10. See attached	Comments: 10. See Attached	Comments: 10. See attached	Comments: 10. See attached	
				<b>Add Row Together for Total Score Here:</b> <b>40</b>