



Foundations

An I'M Home eNewsletter (Vol. 2, Issue 3)
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BREAKING GROUND



I'M HOME retreat in Seattle, photo courtesy Tim Sheahan

Dear Friends and Colleagues:

Welcome to the fourth edition of *Foundations*, an e-newsletter that brings you the latest news from the I'M HOME network. It's been a busy summer and fall, with, among other things, two new organizations joining the I'M HOME Network. I'M HOME is partnering with [MaineHousing](#), Maine's state housing authority, to scale up its innovative financing program to replace pre-1976 mobile homes with new, ENERGY STAR manufactured homes. Meanwhile, the [Cooperative Development Institute](#) (CDI) became [ROC USA™](#)'s 11th certified technical assistance provider (CTAP), serving Massachusetts, Connecticut and Rhode Island. In addition to welcoming these new members to the network, I'M HOME awarded grants this year to several existing partners:

- [Northcountry Cooperative Foundation](#) (NCF), in support of NCF's ROOF program, a revolving construction loan fund that allows resident-owned communities to fill vacant lots and attract new members;
- [Genesis Community Loan Fund](#) to develop new, high-quality manufactured homes in Maine's resident-owned communities; and
- [NeighborWorks Montana](#) and [Frontier Housing](#) to collaborate with CFED and other network members on building an advocacy coalition around helping homeowners who wish to replace pre-1976 mobile homes with new, energy-efficient manufactured homes.

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WELCOME LETTER cont'd

In addition to making our 2009 funding decisions this summer, CFED also convened a manufactured housing policy roundtable in July. We brought together a diverse set of national organizations including several I'M HOME national and local partners as well as players from related fields of advocacy, such as AARP, Energy Programs Consortium, Housing Assistance Council, Manufactured Home Owners Association of America and the National Housing Conference. The

session provided us a welcome chance to revisit the I'M HOME policy agenda and strategy, something we felt was particularly important in light of the momentous changes in the political and economic landscape that we've seen in 2008 and 2009.

The different perspectives and insights we received during the roundtable are on our minds right now as we develop our focus and priorities for 2010. At a moment in time when everyone is trying to maximize resources, we're trying to do so by asking ourselves how we can impact the largest number of homeowners. In order to further our goals related to community preservation and resident ownership, we are continuing to closely align our policy, technical assistance and peer-learning strategies with ROC USA's national approach. When it comes to putting new manufactured homes on the ground, we are focusing on policy and practice that can create a national system for energy-efficient housing delivery through a nonprofit distributor (see this edition's Partner Profile for more on Frontier Housing's work in this area), capitalizing not only on policy opportunities related to energy conservation, but also best practices from our partners on the ground. And as part of the supporting infrastructure for all of this work, we'll continue to build out our I'M HOME Advocacy Toolkit; in fact, see this edition's Policy Update for a sneak peek at our newest policy tools, produced in partnership with National Consumer Law Center.

No update would be complete without a recounting of the 2009 I'M HOME retreat, a gathering of 65 committed and accomplished partners that took place this year in Seattle on September 9-10. We took advantage of being in the Pacific Northwest, where 70% of manufactured homes sold meet or exceed ENERGY STAR standards, by hearing from experts on "green" manufactured housing from Washington State University and the regional [eco-rated collaborative](#), and visiting a [Clayton Homes i-House](#), a cutting-edge example of how to incorporate green building techniques into factory-built housing. We also had the opportunity to tour some of our partners' new and replacement development work and hear firsthand about the successful collaboration among ROC USA CTAPs, policy advocates and homeowners in Washington. Another highlight this year was the inclusion of a session on partnering with state Housing Finance Agencies, featuring I'M HOME partners working from both inside and outside of HFAs to leverage resources in support of equitable financing for owners of manufactured homes. Once again, we coordinated our retreat to coincide with the annual convention of the Manufactured Home Owners Association of America and benefited greatly from the enthusiastic participation of homeowner leaders. Many thanks to our inspiring partners in Washington who made it all possible: Columbia Legal Services, Housing Authority of Snohomish County, HomeSight, Northwest Cooperative Development Center and Rural Community Assistance Corporation!

I hope you'll read through the rest of this edition to learn more about how I'M HOME partners are using manufactured housing to secure the financial stability of homeowners and communities near you. You can always visit our [Web site](#) to find out what CFED and our partners are up to between editions of *Foundations*, or to browse some of the latest headlines or research on manufactured housing. In fact, stay tuned for a brand-new look to the I'M HOME Web site as CFED rolls out a new Web site to celebrate the new year.

From our home to yours,

Kathryn Gwatkin Goulding
Program Director, I'M HOME

SPECIAL FEATURE



photo courtesy Opportunity Finance Network

CFED is proud to recognize three members of the I'M HOME network, the New Hampshire Community Loan Fund, the Federation of Appalachian Housing Enterprises (FAHE) and CASA of Oregon, for being honored among this year's Wachovia NEXT Award recipients. The Wachovia NEXT Awards recognize high-potential community development financial institutions (CDFIs) and help propel them to the next level of impact.

The Community Loan Fund will receive \$5.5 million in low-cost loans and grant monies and is recognized for its outstanding work in single-family financing for home-only loans in resident-owned communities. While lenders typically view the "home in park" market as high risk, the Community Loan Fund has done \$18MM of this lending in the last 8 years and only charged off one half of one percent. Congratulations to the Community Loan Fund staff and to Paul Bradley, who led the original design and implementation of this program.

FAHE will receive \$2.75 million in low-cost loans and grant monies in recognition of "its innovation and bold strategy in eliminating substandard housing conditions prevalent in the Central Appalachian region." Part of this strategy has been working through the Berea Performance Compact to test the national distribution model being scaled up by FAHE member Frontier Housing.

CASA received the Wachovia NEXT Award for Advocacy, recognizing their work on behalf of low-income populations – including owners of manufactured housing – in the state of Oregon.

For more information on the Wachovia NEXT Awards, visit www.nextawards.org.

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PARTNER PROFILE



photos courtesy Frontier Housing

An Exciting Strategic Alliance Makes Manufactured Housing Done Right!™ Available Nationwide On October 29 at CFED's 2009 Innovation Summit, Frontier Housing and Clayton Homes announced the signing of a formal agreement authorizing Frontier to serve as the sole nonprofit conduit for an innovative and special line of Clayton manufactured homes. Together they will bring to scale a national distribution system to deliver high-quality, energy-efficient manufactured housing, allowing nonprofits to help homeowners achieve wealth by growing real equity. The Frontier System of Manufactured Housing Done Right!™ has basic quality controls, standards and systems to meet the specific requirements of nonprofits, their funders and the customers they serve. For the past five years, Frontier has teamed up with Clayton Homes to demonstrate how nonprofits can do manufactured housing "right." Together, they are making housing markets more accessible and reaching additional underserved customers through a model that unites the best of subsidized homeownership programs with the largest unsubsidized provider of affordable housing.

Many of us working on manufactured housing in the nonprofit sector have had our own private epiphanies as to why this is important work. The personal epiphany for Stacey Epperson, Frontier's President/CEO, involved a 180° shift in her attitude about manufactured housing. Stacey, like many of her colleagues, harbored a longstanding disdain for the industry, seeing it as a major contributor to Appalachia's housing woes. They were tired of talking to families who were "upside down" on their loan or living in homes falling down around them. At the same time, Stacey grew tired of what she perceived as an inability to make widespread lasting change and nonprofits' reluctance to engage the industry in that change. She began to focus on manufactured housing as a scalable solution for providing better quality, affordable housing in a national delivery system.

As a CFED Innovator-in-Residence, CFED will support Stacey in the launch of a new business distributing these high-quality Clayton manufactured homes to nonprofits nationwide, while securing volume discounts and ensuring product quality for local customers. Frontier will train and assist other nonprofits so the manufactured homes they install appreciate in value and build financial security.

[Click here](#) to access a new case study on Frontier's *Manufactured Housing Done Right!* model, produced by NeighborWorks America.

For more information on innovation@cfed and the Innovators-in-Residence program, please visit innovation.cfed.org.

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POLICY UPDATE



photo courtesy Columbia Legal Services and Association of Manufactured Home Owners of WA

State Policy

Maine passed [LD 1485](#), Part E of which authorizes the issuance of revenue bonds for the construction and rehabilitation of highly efficient, affordable housing. \$30 million in bonds will be issued in the next two years, with up to \$200 million authorized overall. An allowable use includes replacement of manufactured housing units that do not meet current federal housing codes.

Oregon enacted [HB 2383](#), which gives tenants' association, facility purchase association or tenants' association supported nonprofit organization a 14-day right of first refusal for offer or agreement by owner to sell manufactured dwelling park or marina (effective 1/1/2012).

Oregon also enacted [SB 5535](#), Section 6 of which allows the state treasurer to issue lottery bonds for the Housing and Community Services Department to provide assistance to community organizations or tenant groups in acquiring

manufactured dwelling parks.

Oregon also passed [HB 2255](#), which allows a manufactured dwelling park nonprofit cooperative to record notices, restrictive covenants and other documents relating to the cooperative with the county deed of records. Provides lienholders in a manufactured dwelling park with rights of notice of termination and of members and rights to remove sell the dwelling. Also allows a member of the cooperative to sell their membership only to the cooperative and provides procedures for the entry of new members into the cooperative.

In Washington, Snohomish County Executive Aaron Reardon and Council Chairman Mike Cooper signed a [local zoning ordinance](#) protecting mobile and manufactured home communities in the county (see picture above). This collaborative effort between Reardon and the County protects Council 26 manufactured housing communities representing more than 1500 households. Over 100 homeowners attended various hearings on the issue.

New York State created a [program that commits \\$5 million to replace pre-HUD Code homes](#) with ENERGY STAR-qualified manufactured homes.

Federal Policy

This summer, the Federal Housing Finance Agency (FHFA) held a public comment period on [Duty to Serve \(DTS\) guidelines](#) that say, among other things, that Fannie Mae and Freddie Mac have a duty to serve the low- to moderate-income owners of manufactured homes. Thanks to the I'M HOME network, approximately half of the 100 letters received were submitted by an I'M HOME partner. Shortly after the submission deadline, CFED, ROC USA, the Manufactured Home Owners Association of America and the National Consumer Law Center jointly met with representatives from the FHFA to further discuss our recommendations. We expect proposed regulations on DTS in 2010.

CFED is also educating lawmakers on legislation that would create a national program to fund replacement of pre-1976 mobile homes with HUD Code, ENERGY STAR-qualified manufactured homes. This June, the House passed the American Clean Energy and Security Act of 2009 (H.R. 2454) that includes a \$7,500 rebate for replacement of pre-1976 mobile homes with ENERGY STAR units. There is a placeholder in the Senate's Energy Committee bill, and we are closely monitoring Senator Tester's freestanding bill, [the Energy-Efficient Manufactured Housing Act of 2009](#) (S.1320).

In November, Congress passed legislation to create a \$6,500 home buyer tax credit. This credit can be used for existing homeowners to buy new homes. Buyers of manufactured homes, both new purchase and replacement, are eligible for this tax credit.



New Tools for Manufactured Housing Advocates – Coming Soon!

The National Consumer Law Center and CFED are once again collaborating on a set of tools for the Manufactured Housing Advocacy Toolkit. These tools address issues and offer recommendations for both fee-simple homes and homes in communities. We appreciate the feedback and input we received from many of our partners at the retreat, as well as since then.

Stay tuned for the upcoming release of the following tools:

- [Local Policy Resource Guide](#): This guide, to be released by the end of 2009, examines areas of local policymaking that have potential impact for promoting and preserving manufactured housing as a viable affordable housing option. It also reviews a sampling of existing and proposed municipal and county ordinances and other policies. Areas covered include zoning, development moratoriums and the consolidated planning process, among other.
- [Weatherization and Replacement Resource Guide](#): To be released in early 2010, this resource guide provides an overview of the issues involved in weatherization and replacement of older manufactured homes and mobile homes. It is designed for anyone interested in preserving and expanding a vital source of affordable housing by upgrading existing homes or replacing homes that have outlived their useful lifespan.

- Conventional Financing Resource Guide: For release in early 2010, this guide is a resource for policymakers, advocates and industry participants considering ways to increase the availability of better and less expensive conventional mortgage financing for those who truly need it: the low- and moderate-income buyers of manufactured homes. It is an expansion of last year's conventional financing guide for homes in land-lease communities that will include obstacles and strategies for conventional financing on fee-simple land.
- Public Resources for Manufactured Housing: To be released in 2010, this in-depth guide serves as a compendium of public sources of financing for the purchase, rehabilitation or refinancing of manufactured homes or communities. It is intended as a resource for consumers, nonprofit practitioners and advocates interested in leveraging public funding streams in support of affordable housing and asset-building strategies using manufactured housing.
- Taxation: The final in the new series, this guide will be released in 2010 and will address a number of taxation issues related to manufactured housing.

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PARTNER HIGHLIGHTS



photo courtesy Utah Housing Coalition

Across the country, I'M HOME partners are using manufactured housing to change the lives of families near you. Here are just a few of our partners' latest successes:

The Housing Authority of Snohomish County (HASCO) and HomeSight replaced four pre-HUD code homes in communities owned by HASCO, Alpine Ridge and Alpine Ridge South, in Lynnwood, WA. HASCO held a grand opening for the two communities after completing extensive capital improvements that included new electrical infrastructure, new landscaping and remodeling of two community club houses.

Manufactured Homeowners Association of New Jersey is significantly expanding their policy capacity, first by launching a Web site at www.mhoanj.org and also by partnering with New Jersey Tenants Organization to develop a coordinated advocacy campaign on manufactured housing issues.

Regional Housing Legal Services (RHLS), in conjunction with ROC USA Capital and PathStone, encouraged

the Pennsylvania Housing Finance Agency to establish a pilot program to provide zero interest, deferred debt and predevelopment financing for resident purchases of manufactured housing communities.

Separately, RHLS continues to work with National Consumer Law Center on educating state legislators about the importance of opportunity-to-purchase policies.

The Primavera Foundation has set two homes and purchased 2 vacant lots in South Tucson, AZ. Primavera is marketing the lots and manufactured homes to their mortgage-ready customers and City of South Tucson employees.

Cooperative Development Institute (CDI) came to homeowners' assistance when Evergreen Manufactured Home Park of Warren, Massachusetts, was placed in court-ordered receivership due to failed septic and water systems. CDI found contractors to begin a full water and septic system replacement before winter set in and coordinated \$550,000 in construction and take-out financing through a consortium led by the Cooperative Fund of New England. CDI will continue to provide technical assistance after Evergreen Cooperative takes formal ownership of the community.

After converting four New York manufactured home communities into co-ops (one since joining ROC USA™), PathStone is expanding its program into Pennsylvania and Ohio. To begin marketing their services to Pennsylvania manufactured housing community owners, PathStone staff recently presented on resident ownership to members of the Pennsylvania Manufactured Housing Association.

In October, members of the Green Pastures Senior Cooperative in Redmond, OR closed on the purchase of their community with the assistance of CASA of Oregon and the Northwest Cooperative Development Center. The cooperative received financing from the Network for Oregon Affordable Housing and Oregon Housing and Community Services as well as CASA. Also in Oregon, members of the Horizon Homeowners Cooperative, in McMinnville, and CASA celebrated the completion of substantial infrastructure improvements to their community.

The New Hampshire Community Loan Fund is working with the residents of two manufactured housing communities, Lakes Region Mobile Home Village, a 100-site community in Gilford, and Tara Estates, a 550-site community in Rochester. If successful, each cooperative will purchase its community in the first half of 2010.

Utah Housing Coalition, Salt Lake Community Action Program, Utah Manufactured Homeowners Action Group and Utah Resident Owned Communities won a zoning policy victory in Clearfield City recently. Facing a threat to rezone all of the city's manufactured home communities, the City Council instead voted to adopt the city planning commission's recommendations that three out of four manufactured home communities remain zoned for residential manufactured housing. Homeowner participation was key to success; thanks to the extraordinary grassroots efforts of Salt Lake CAP and community owner Carl Liljenstolpe, more than 100 people attended the planning commission hearing.

Northern Circle Indian Housing Authority's new affiliate, United Native Housing Development Corporation (UNHDC) just received its Community Housing Development Organization (CHDO) certification under HUD's HOME program. The state of California has allocated \$800,000 of HOME funds for UNHDC's first scattered site/infill project. This award marks the first time that state housing monies have been funneled to a Native housing developer working outside of Indian reservations.

94 homeowners in Pasadena, TX recently celebrated the grand opening of the first resident-owned manufactured housing community in their state, Pasadena Trails. Community Resource Group supported the homeowners through the organizing and purchase process and will continue to provide technical assistance.

Certified TA Providers in ROC USA Network have collectively helped 14 resident corporations preserve nearly 1,000 homes in eight states since May 2008. These 14 communities were purchased with a total of \$31MM of project financing arranged by Network TA Providers. TA Providers also have six projects under contract and eight more communities in the "Go" pipeline.

ROC USA Capital, newly certified as a CDFI by the US Department of Treasury, has raised \$2MM of new Balance Sheet resources in the 2nd half of 2009 and is capitalized to provide high LTV first mortgage financing on up to \$14MM of new projects.

ROC USA is sponsoring the National Communities Council Forum at the Manufactured Housing Institute's National Congress & Expo on April 13-15 in Las Vegas. Put a visit to their booth on your "must see" list at this year's National Congress!

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