Assistance in Manufactured Housing Park Closures



Department of Housing's Role



The Department of Housing has an administrative role under the Arizona Mobile Home Parks Landlord and Tenant Act ("Act") under Arizona Revised Statutes, Title 33, Sections 1401 through 1501 as follows:

- Provide an annual Summary of the Act including any legislative changes made in the preceding year
- Complaints includes administrative review of complaint form for completeness, written notice to other Party(s), schedule for hearing if Parties unable to settle issues
 - From tenants for Park managers in violation of the educational requirements for Park managers,
 - From Parks or tenants for violations of the Act
- Fiduciary responsibilities for the Relocation Fund

What is the Relocation Fund?



The Mobile Home Relocation Fund ("Fund") is used to make direct payments to homeowners or Installers for the cost of relocating tenant's homes from a Mobile Home Park ("Park"), or for the tenant to abandon the home to the Park based on a qualified event:

- Change In Use; or
- Rent Increase; or
- Change In Age Restricted Use

Where does the funding come from for the Relocation Fund?



Tax assessments paid through personal property taxes at the rate of \$.50 per one hundred dollars of the taxable assessed valuation for each mobile home and manufactured homes owned by a homeowner and located in a Park where the homeowner does not own the land.

Relocation Fund Balances



Fund balance ending June 30, 2018 = **\$7,908,759.12**

 Tax assessment is waived when the monies in the Fund exceed \$8 million

Tax assessment was waived in fiscal year 16

• Assessment can be **reinstated** when the monies in the Fund are less than **\$6** million

Change In Use



Change In Use



Tenant is required to move due to redevelopment of a Park, or Park closure. Options for Fund assistance . . .

- Relocate the home to a new location within a 100 mile radius; or
- 2. Abandon the home to the Park

Change In Use



Amount of Fund assistance available:

1. Relocate home

single-wide = up to \$7,500

multi-section = up to \$12,500

2. Abandon home

single-wide = up to \$1,875

multi-section = up to \$3,125

Change In Use



Landlord's obligation to Fund:

- 1. Pay \$500 to the Fund for each single-wide mobile or manufactured home
- 2. Pay \$800 to the Fund for each multi-section mobile or manufactured home

Rent Increase



Rent Increase



Tenant may access the Relocation Fund monies when a monthly rent increase is announced by the Park.

Rent increase is effective at expiration or renewal of the tenant's lease agreement

Rent increase must be a total of 10% plus the current increase in the consumer price index for West "A".

Options for Relocation Fund assistance are the same as for Change In Use – **relocate or abandon**.

Table A. West Region CPI-U month	ly and annual n	ercent changes	(not spasonally	(hatquihe v
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	201	3	201	4	201	5	201	6	201	7	201	8
Month	Monthly	Annual										
January	0.3	1.7	0.3	1.7	-0.3	0.7	0.5	2.6	0.5	2.5	0.5	3.1
February	0.8	2.0	0.4	1.3	0.6	0.9	0.1	2.1	0.6	3.0	0.5	3.1
March	0.4	1.5	0.6	1.5	0.8	1.1	0.2	1.5	0.3	3.1	0.4	3.2
April	0.0	1.3	0.3	1.8	0.3	1.0	0.5	1.8	0.3	2.9	0.4	3.2
May	0.2	1.3	0.6	2.3	0.8	1.2	0.5	1.5	0.2	2.6	0.5	3.5
June	0.1	1.5	0.1	2.3	0.0	1.1	0.2	1.6	0.0	2.5	0.2	3.6
July	0.0	1.9	0.1	2.3	0.3	1.3	0.1	1.4	0.1	2.5		
August	0.1	1.5	-0.1	2.1	-0.1	1.3	0.0	1.5	0.2	2.7		
September	0.2	1.3	0.1	2.0	-0.2	1.0	0.3	2.0	0.5	2.9		
October	-0.1	0.9	-0.1	2.0	0.0	1.1	0.3	2.3	0.3	2.9		
November	-0.4	1.3	-0.6	1.7	-0.2	1.5	-0.2	2.3	0.0	3.1		
December	0.0	1.8	-0.5	1.3	-0.1	1.8	0.0	2.5	0.1	3.1		

Rent Increase



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2. Abandon home

single-wide = up to \$1,875

multi-section = up to \$3,125

Rent Increase



Landlord's obligation to Fund: None

Change in Age Restricted Community



Change in Age Restricted Community



Tenant may access the Relocation Fund monies when a an Age-Restricted Park changes to an all age Park.

The Housing for Older Persons Act of 1995 ("HOPA")

modified the exemption from certain familial status discrimination prohibitions granted to housing for older persons

Tenant chooses to relocate and may:

Relocate the home to a new location within a 100 mile radius

single-wide = up to \$7,500

multi-section = up to \$12,500

Change in Age Restricted Community

Landlord's obligation to Fund: None





RELOCATION STATISTICS

- Fiscal year 17
- Fiscal year 18

FY17 YTD			FY17YTD				
# Parks	# Units Impacted	# Relocated	# Parks	# Units Impacted	# Relocated	# Abandoned	Comments
10	925	16	Mountain View Ranch	96	2	0	
			Pine Shadows MHP	43	2	1	Some units may be RVs
			Apache West MHP	59	0	0	
Total paid for Ab	andonment	\$17,500.00	Amado Trailer Park	4	0	1	May be notified some time in 2018.
Total paid fo		\$80,000.00	Las Sierras	19	5	0	
Т.	otal FY 2017	\$97,500.00	Kearny MHP	4	0	0	
		. ,	Wahweap	4	1	1	
			Boardwalk Estates	60	0	0	
			Anasazi Palms	6	5	0	
			Switzer Canyon	50	1	0	
			TOTALS		16	3	
FY18			FY18YTD				
# Parks	# Units Impacted	# Relocated	# Parks	# Units Impacted	# Relocated	# Abandoned	Comments
9	706	17	52 Doors, LLC	4	1		
			Arrowhead Village	58	6	34	
			Escalante Park	9			
Total paid for Ab	andonment	\$64,375.00	Glendale Cascades	3			
Total paid fo	r Relocation	\$27,500.00	Lazy J Trailer Village	15			
Т	otal FY 2018	\$91,875.00	Oak Creek Modilodge	2	NA	NA	
			Red Lamp MHP	9	1		Some units are RVs 9 owned / 19 park owned
			Roadrunner Lake	564	1	1	Some units may be RVs
			Tempe MHP	42	8	4	
			TOTALS*	706	17	39	
			*Includes Relocation r	equest tha	t have not be	een paid to date	e



Questions / Discussion