

# Manufacturing their own community

*Is turning manufactured housing parks into resident-owned cooperatives the key to preserving Oregon's largest stock of affordable housing?*

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To hear Travis Blythe and Dan Fountain talk about the Vida Lea Mobile Lodge, you'd think it is the most beautiful place in Oregon, if not planet Earth.

"It's in the mountains," says Blythe, 67. "This park is still in the tall pines, and it's still on good well water, instead of city water. It's above the fog level of the valley, but it's far enough down where it's below any heavy snows. It's one of the prettiest parks around."

Vida Lea is located just off the McKenzie River Highway between Eugene and the Willamette National Forest. A single lane road curves up a small hill with single and double-wide manufactured homes on each side of the street, nestled into the trees. Residents can walk down the hill and across the street to the MacKenzie River and a nearby park.

But Vida Lea has deteriorated in the past few years to the point that it "just drops my jaw," says Fountain, 59, who has lived in the park for eight years.

The road is cracked and needs repaving. A windstorm from last March felled a number of trees that stuffed the culverts and blocked drainage. Its septic system is close to failing. Fountain also says blackberry bushes have slowly grown throughout the park, becoming an eye sore in an otherwise beautiful area.

Vida Lea's residents are ready to take control of their park. On Saturday, Jan. 20, 17 residents sat down together in a meeting room located in Leaburg's fire station. Present were staff of CASA of Oregon — Community And Shelter Assistance Corp. — a nonprofit housing developer that runs the Manufactured Housing Preservation Program, whose goal is preserving manufactured housing parks as affordable housing by helping park residents purchase their park and become non-profit cooperatives.

It was the last of many meetings Vida Lea's residents had together and with CASA's staff since July to decide whether to purchase the park and become a cooperative, a decision both exhilarating and somewhat frightening.

After hearing CASA's staff run through the financing allowing the residents to purchase Vida Lea — which includes low- or no-interest loans, grants, and a temporary rent increase the residents elected to impose on themselves — the 17 residents present, representing a majority of 24 residents willing to become a cooperative, voted.

It was unanimous.

"They're ready to be in charge of their own futures," says Julie Massa, CASA's resident organizer, who has provided Vida Lea's residents with countless hours of technical assistance, counseling and support.

CASA is now in the process of finalizing the park's \$1.25 million purchase, expected to close in mid-February. Vida Lea's residents will then become responsible for the park's maintenance, property taxes,



PHOTO COURTESY OF CASA

*A boy rides his bike through Horizon Mobile Village near McMinnville. With support from CASA, the residents formed the Horizon Homeowners Cooperative and now own the park.*

legal issues, and all the other rights and responsibilities associated with being a property owner.

It's not something many Vida Lea residents — all of whom are 55 or older — envisioned for themselves when they first moved to the small manufactured housing park, most often to downsize their lives and transition to retirement.

But like residents in other manufactured housing parks around Oregon who face yearly rent increases that strain their low or fixed incomes, or the threat of out-of-state landlords or companies that will evict them and demolish the park to redevelop it, Vida Lea's residents feel the pressure of knowing that their homes may not always be there, much less affordable. It's up to them to rise to the challenge of saving not only their homes, but their way of life.

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Manufactured housing parks are planned communities made up of manufactured, or factory built homes. Not built on site, the homes are transported and deposited to the site and hooked to electricity, water and sewer.

There are between 1,000 and 1,100 manufactured housing parks in Oregon, making up 10 percent of all housing in Oregon. It is unknown with certainty how many people live in the parks, though estimates hover around 100,000.

CASA began working to convert parks into cooperatives in 2007, after a period beginning with the housing boom in the early 2000s and lasting until the real estate and housing market crashed, bringing the economy along with it. That period might be considered manufactured housing's version of an apocalypse.

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redeveloped the land.

"For three years, it was a mad house," says John Van Landingham, a Eugene-based Legal Aid attorney who advocates for park residents. "I never anticipated that parks would convert to another residential use. Never. I just assumed that if someone built a park, it would stay a park forever."

"We hadn't seen anything like we saw in that time period," says Andree Tremoulet, a research associate at Portland State University's Center for Urban Studies. "Parks sometimes do close because they've reached the end of their life, or an owner dies and the family doesn't want to keep it. That's pretty unusual."

It was pure, unadulterated capitalism happening right before their eyes.

The park closures were devastating to Van Landingham and

others because manufactured housing may be the largest and most affordable type of housing in Oregon. Residents of manufactured housing parks tend to be low-income, elderly, on fixed income, or a combination. Tremoulet's research found that almost 65 percent have incomes below \$30,000 a year. Many parks, such as Vida Lea, require that residents be 55 years of age or older, making them an important source for seniors wishing to live independently.

The rental situation of park residents is unique. They own their home, and rent the lot space the home is located on, typically paying rent to someone who owns the entire park. Manufactured homes come cheap. They most often range between \$35,000 and \$60,000. Fountain bought his double-wide home for \$45,000 using money from the sale of his previous home.

Living in a manufactured housing park is incredibly affordable (some would even say cheap). Fountain pays \$380 a month to rent the space for his double-wide home, a 40- by 60-foot lot. Blythe pays \$430 a month, which is as high as the rent gets at Vida Lea.

Because of manufactured housing's affordability without relying on government

subsidy, advocates think continued park closures would be "a huge blow to the stock of affordable housing," Van Landingham says.

"It's an asset that needs to be protected," says Peter Hainley, CASA's executive director.

Closures ceased with the recession, a welcome respite to Van Landingham and others, who immediately began thinking of ways to prevent future closures. Van Landingham visited New Hampshire, home of the organization Resident Owned Communities USA (ROC USA), that has converted 92 parks in the state into resident-owned cooperatives since 1984. The organization also provides training to organizations throughout the country interested in replicating the model in their state.

Van Landingham started working to create a similar model. He and other affordable housing advocates successfully lobbied for numerous changes in state law during the 2007 and 2009 legislative sessions, protecting park residents and encouraging the creation of resident-owned cooperatives.

The changes included allowing the creation of nonprofit cooperatives (before, organizations could become nonprofits or cooperatives, but not both), creating a capital gains tax break for park owners who sell parks to residents, creating a \$5,000 tax credit for residents who move their homes if a park closes, creating a lottery-backed bond program helping finance park purchase, and a law requiring park owners to pay residents a moving stipend if the park closes. Depending on whether the homeowner owned a single, double or triple wide home, they would be paid \$5,000, \$7,000 or \$9,000.

"That was a really big victory," Tremoulet says. "It was a moment whose time had come."

Van Landingham approached CASA of Oregon to gauge the organization's willingness to become Oregon's version of ROC USA. "It scared the shit out of me," Hainley remembers. "We had never organized people to own their own homes."

Not knowing what to expect, he and his staff created CASA's Manufactured Housing Preservation program and began finding parks to convert into resident owned-cooperatives. The experience has been one