

# NDMHA News

December 2019

NDMHA News

Mark your Calendars  
**February 19th & 20th, 2020**  
NDMHA Membership Meeting  
Radisson Hotel Bismarck  
605 E Broadway Ave  
Bismarck, ND 58501  
Phone: 701-255-6000

Reservations may be made thru the hotel website use Promo Code: **MAN20**  
Reservations must be received by 1/19/2020 to received discounted rate.

## TENTATIVE AGENDA

### February 19, 2020

8:00 am—12 pm North Dakota Department of Commerce Inspector Training  
1:00 pm—5 pm North Dakota Department of Commerce Installer Training  
5:00 pm Social  
6:00 pm Banquet

### February 20, 2020

8:30 am Installation Committee Meeting  
9:00 am Registration/Breakfast  
9:45 am Welcome & Opening Remarks  
10:00 am Rory Hoffmann—Department of Commerce  
State Installation Program  
Administrative Rule Changes  
10:30 am North Dakota Manufactured Housing Association Meeting  
Review Meeting Minutes  
Treasurer's Report

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## TENTATIVE AGENDA CONTINUED

- 10:30 am            North Dakota Manufactured Housing Association Meeting Continued  
                         Present nominations from the Nomination Committee for Board of Directors positions  
                         expiring this year  
                         Open floor for further nominations  
                         NDMHA Website  
                         Increase member interest and involvement
- 11:30 am            Luncheon
- 12:30 pm            Park Operator Discussion  
                         Drug Issues  
                         Traffic Issues  
                         State and Federal Issues  
                         Unregistered Occupants  
                         Older Homes  
                         Unlicensed Contractors  
                         Taxation Issues  
                         Open Discussion
- 3:00 pm             Board of Directors Meeting
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### **Opportunity Zone Investment Program Problems**

Below is a copy of a letter sent to the Secretary of Housing and Urban Development, Dr. Benjamin Carson by Kent French. NDMHA's Governmental Committee has been working diligently on many issues, the below is just one issue that has been of major concern to the manufactured housing industry in North Dakota. Feel free to contact Kent at 701-214-1424 or frenchexchange.kent@gmail.com. If you would like a copy of the below please contact NDMHA's office at 701-223-6671 or ndmha@midconetwork.com

*I am the Director of Government Affairs for the North Dakota Manufactured Housing Association (NDMHA). I am sending this letter to you on behalf of NDMHA which is a premier organization made up of manufactured home dealers, park operators, residents, financial institutions and service companies in North Dakota to express a concern with the implementation of a so-call economic development program being used in North Dakota intended for development of and investment in low income housing opportunities.*

*There exists a serious concern and problem with out-of-state entities purchasing local North Dakota manufactured and mobile home parks and communities. This activity is being conducted pursuant to the opportunity zone investment program enacted as part of President Trump's tax cuts in 2017, which is being implemented through the U.S. Department of Housing and Urban Development (HUD).*

*By way of background information about NDMHA, the association was one of the first organizations in the country to implement and get legislative approval for installation regulations to protect the residents purchasing manufactured*

housing. NDMHA started their installation program years before the HUD mandate to the states. HUD has told our state director in North Dakota that our program is much superior to the federal program.

North Dakota has recently had corporations from out of state purchase manufactured housing communities. The purchases themselves are not bad or illegal. The problem is these corporation are using different purchasing guidelines as most corporation would because they are getting a tax incentive from the federal government.

As one park operator said "They came in here with a boatload of money and wanted to buy my parks but I wouldn't sell even though they were paying way over market value." With respect to a specific entity involved with purchases of Parks, namely Havenpark Capital, which invested in several manufactured home communities across North Dakota, the NDMHA voted unanimously to not allow Havenpark Capital into our association until such a time as Havenpark Capital agrees to comply with all local and state laws as well as work to have a better relationship and communications with its manufactured home community residents.

The problem is occurring because of the inflated purchase price, they are raising lot rents for all the people that live in and occupy manufactured housing which is the only true unsubsidized affordable housing. One would assume that the program HUD designed, would try to help those people that live in manufactured housing but just the opposite is the case. These new owners are raising the lot rents, charging for pets and any other service they can.

These new owners have not done their due diligence. They have raised lot rents far above existing rent in like communities. They have not done income studies on the residents of the communities they have purchased. This type of action by the new owners is threatening the existing tenants who are detrimentally impacted by the increased housing costs and the tenants are unable to afford the proposed increased costs for continuing to reside in these manufactured housing communities.

Our association is of the opinion that HUD is trying to create a program that would promote and help affordable housing but just the opposite is happening. These companies that are purchasing properties are creating a great hardship and a hostile environment to the residents of those communities. In some of these communities, residents that have had daycare businesses, and are no longer allowed to do so. Not only does that impact their livelihood, it no longer allows the residents of the parks to have a close and convenient place for daycare for their children.

In some cases, these owners have sent out letters raising the lot rents and changing the rules making it difficult for the existing homeowners to live under the new rules. Letters have been sent out without any management in place, no emergency phone numbers, unanswered phone calls during business hours and if they do answer the phone they do not treat the residents in a polite and professional manner. The lack of communication with the residents seems to be the largest gripe. Weeks go by without any contact with the residents other than the issuance of new rules, higher lot rents and other additional housing costs.

Our free market system with supply and demand works well. If these corporations did not have a tax incentive and had to rely on the free market system, they would have to negotiate the price and try to keep the rent reasonable and treat the residents with the respect they deserve. It seems the program that HUD set up is hurting the very people they were trying to help. These residents are no subsidized and they don't want to be. With programs like what has been established through HUD, the government is going to create a need for them to be subsidized.

These corporation that are moving in, in some cases, do not follow state or city laws. For instance, without checking with the local codes, they are sub metering and selling water that was originally included in the lot rent. In one case, they hired workers not licensed in North Dakota to put water meters under each home.

NDMHA believes this opportunity zone program was put in place without regard to the residents, their incomes, lifestyles, and their futures.

NDMAH asks that HUD take immediate steps to stop these predatory companies from taking advantage of the residents of these manufactured housing communities. NDMHA asks that the program be suspended and stopped until such a time that HUD can review the entire program, take into account the hardship that these predatory programs are creating and develop reasonable rules and guidelines for the implementation of the program to protect the manufactured housing community residents who are the most vulnerable residents that are being detrimentally impacted.

NDMHA loos forward to your prompt response and immediate action to address this serious and ongoing concern that exist not only in North Dakota, but in all similar manufactured home communities across the nation.

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Have a Happy and Safe Holiday Season!!!!