



Cooperative Manufactured Housing in Minnesota

Senate Housing & Homelessness Prevention Committee

1/17/23

Victoria (Tory) Clark-West

Executive Director – Northcountry Cooperative Foundation (NCF)

Who we are

- Northcountry Cooperative Foundation, founded 1999
- Mission: Transforming lives and communities through cooperative enterprise
- Core services: Technical assistance, development services to new and existing cooperatives – specializing in manufactured housing co-ops
- Local & National Partnerships
 - ROC USA®
 - Cooperative Network
 - Homeownership Minnesota (HOM) Coalition

Manufactured Housing: Minnesota's Most Affordable Ownership

Largest single source of naturally-occurring affordable housing in state

- 806 communities
- 45,000 total manufactured homes
- 180,000 residents

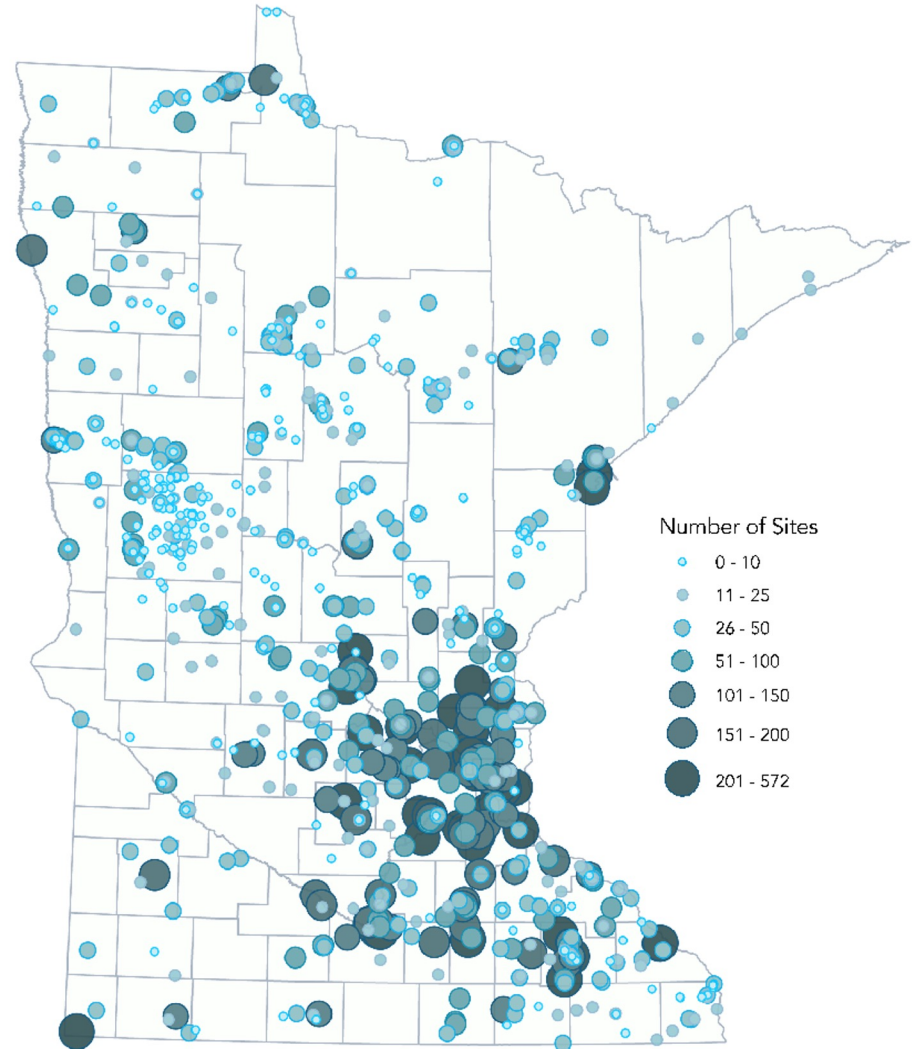
Provides affordable homeownership opportunities

- Homeownership rate: 87%

Cost to preserve infrastructure is substantially less than other types of housing (\$10,000 - \$50,000 / unit)

New home cost is \$145k – 3 bed/2 bath

Manufactured Home Sites in Minnesota



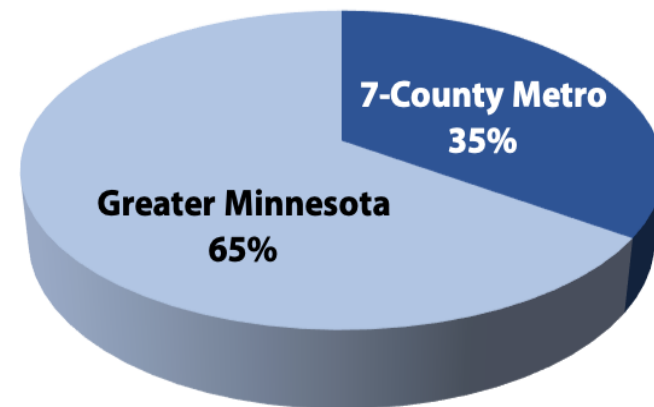
Manufactured Housing Senate Housing Committee

Senators	MH Communities	MH Home Sites	NCF MH Co-ops	MH Co-op Home Sites
Statewide	806	44,836	10	761
Sen. Port (55)	3	761	0	0
Sen. Boldon (25)	10	727	1	115
Sen. Lucero (30)	1	199	0	0
Sen. Draheim (22)	17	653	2	142
Sen. Mohamed (63)	0	0	0	0
Sen. Rest (43)	1	62	0	0
Sen. Housley (33)	4	293	0	0
Sen. Pha (38)	0	0	0	0

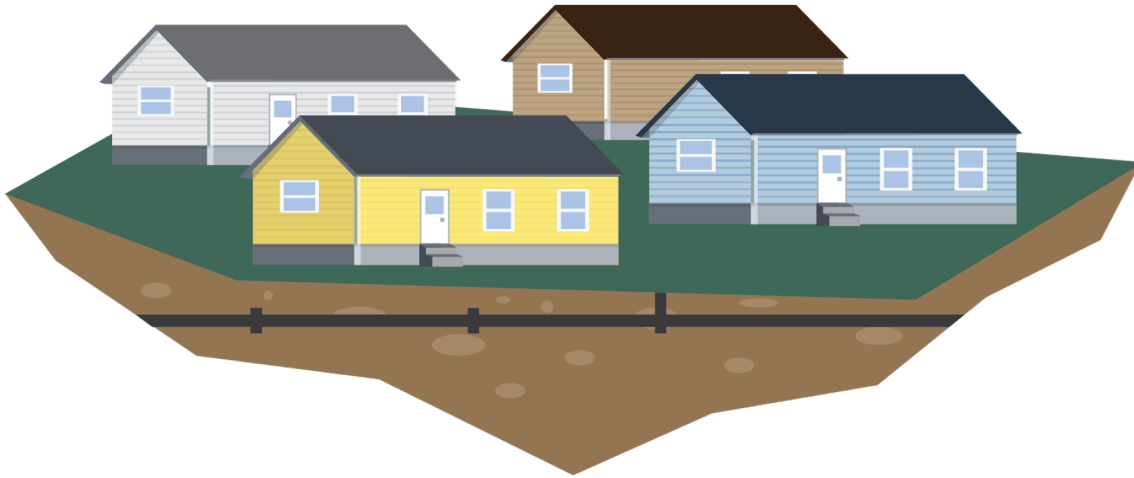
People Served by Manufactured Housing

- Rural/urban
- Low-income
 - 60% AMI – 75% of residents
 - 30% AMI – 33% of residents
- Households of color
 - 42% BIPOC residents
- Workforce housing

**Minnesota Manufactured Home
Community (MHC) Sites By Geography**



Typical manufactured housing community



- Investor owns land beneath residents' homes
- Profit motive
- Regular rent increases

Manufactured housing cooperative

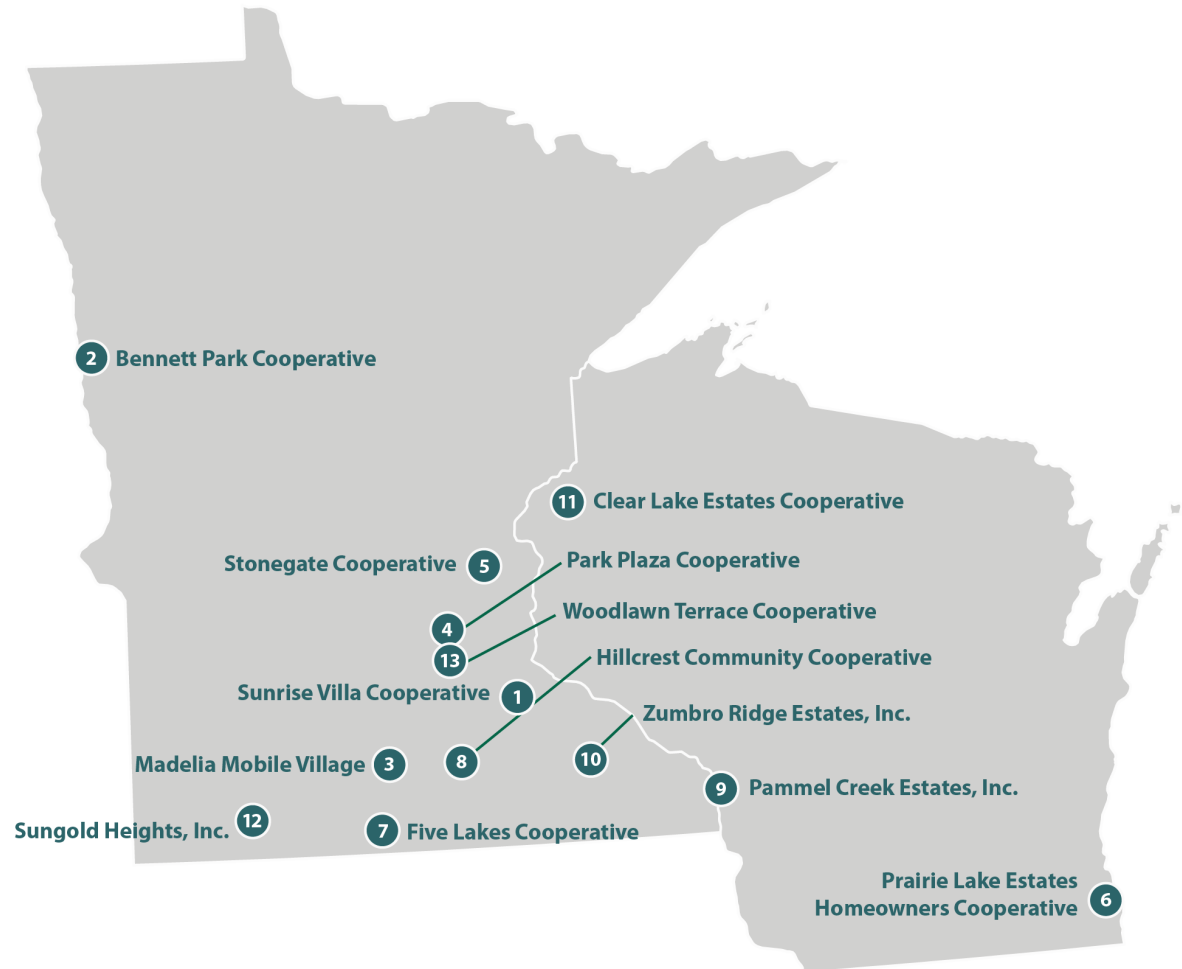


WE OWN IT!

- Resident-owned non-profit corporation owns the land beneath residents' homes
- Operate at-cost
- Dues increase only with operating costs

Midwest ROC Program

(ROC = Resident Owned Community)



Track Record

13 existing parks
(1,000 units)
converted to co-op
ownership since
2004 in transactions
valued at over \$33
million

A founding member of
the ROC USA®
Network

Strong industry
relationships

Threats to Manufactured Housing: Aging Infrastructure

- Privately owned systems (water, sewer, roads, and electrical)
- Aging systems – most built in 1950s and 60s



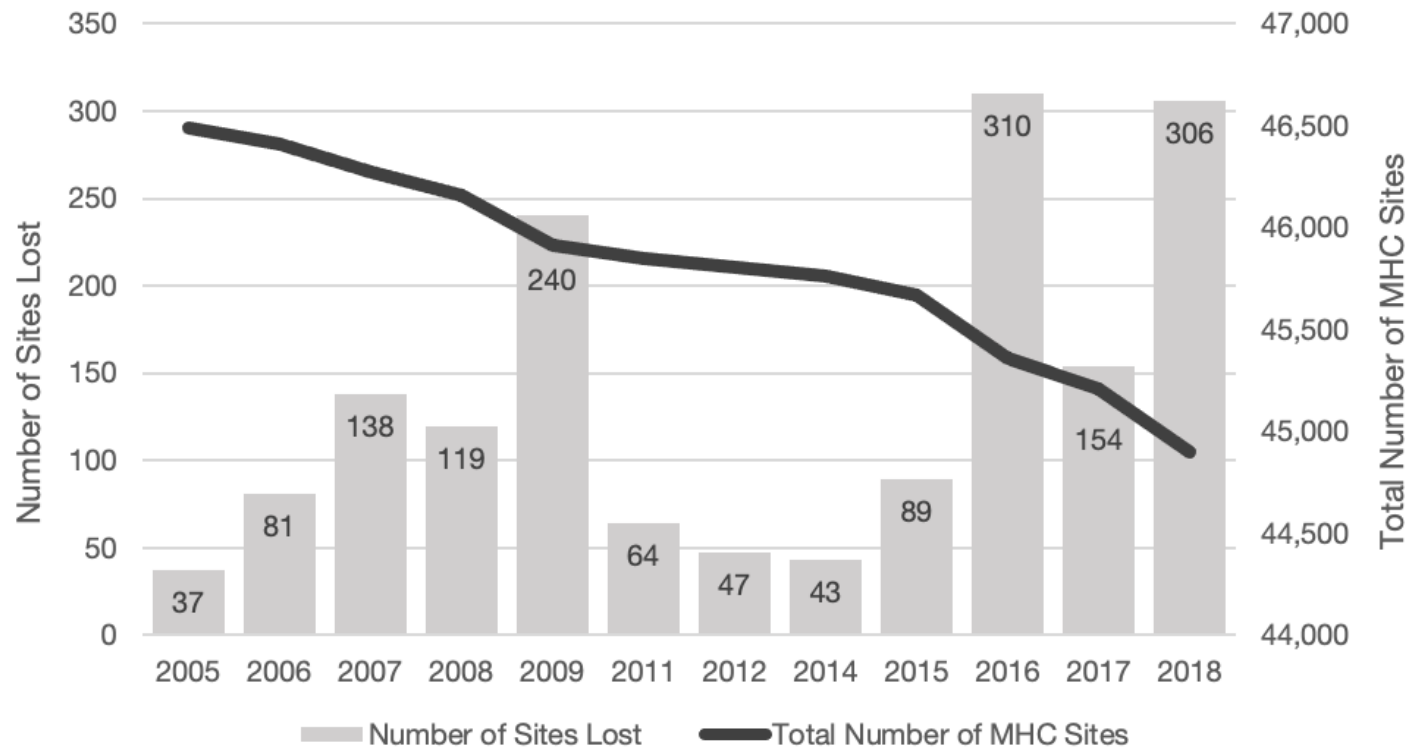
Aging housing stock & lack of home financing

- Cost of new homes are increasing
 - In 2017 average home price was \$60-70k for 3 bed/2 bath
 - In 2023 average home price is \$145k for 3 bed/2 bath
- Manufactured homes on leased land are licensed as chattel (personal) property
- This makes them ineligible for traditional financing options – mortgage and down payment assistance
- Limited access to home rehab resources



Community Losses

**Minnesota Manufactured Home Communities
Annual Site Losses to Total Sites
(2005 - 2018)**

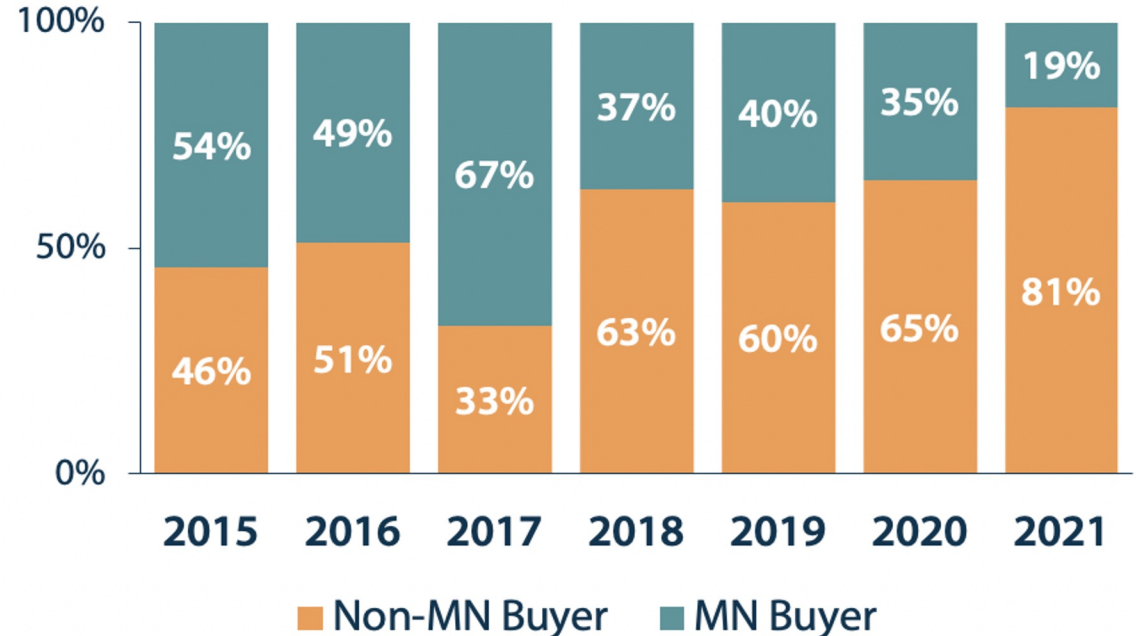


Out of State Speculation

In Minnesota:

- Over the last 7 years, 1 in 3 manufactured home sites transferred ownership
- Over the last 7 years, 1 in 6 manufactured home sites sold went to an out-of-state buyer
- In 2021, four out of five home sites sold went to out-of-state buyers

Share of Manufactured Home Sites Sold to MN & Non-MN Buyers by Year



The Cooperative Response

- Permanently preserve
- Stabilize housing costs
- Reinvest in infrastructure



Legislative Response

- Manufactured Housing Legislative Working Group (2017)
- Manufactured Housing Infrastructure Fund, established in 2017, \$2 million appropriation in 2019
- Workforce & Affordable Homeownership Fund, established in 2017
 - \$750,000 in 2017
 - \$500,000 in 2019
- Expanding Housing Infrastructure Bond use for infrastructure (2018) and acquisitions (2019)
- Manufactured Housing Titling Reform (2021)
- HIB set aside - \$15 million (2021)

Stay in touch with us

victoria@northcountryfoundation.org

612-767-2122

northcountryfoundation.org

