



Promoting Homeownership and Preserving Affordable Housing Communities

SB17-098 Sponsored by Sen. John Kefalas and Rep. Joann Ginal

What does this bill do?

Currently, the owner of a manufactured home park must provide 10 days notice to the residents of a manufactured home park if the owner decides to sell their land to another owner. This bill:

- Provides a tax deduction of 100 percent to the owner of a manufactured home park on the recognized gain from the sale of a park if they sell to a resident organization, local government, housing authority or non-profit corporation.
- Extends the written notification period to the homeowner's association or cooperative to between 30 days and one year of the owner's intention to sell, but only if:
 - The residents have formed a homeowner's association or cooperative and informed the owner of the manufactured home park that they are interested in buying the land.
- Encourages the owners and residents of a manufactured home park to make use of the state's office of dispute resolution to resolve any issues between the two parties.

Why is this needed?

- Many manufactured home parks around the state have closed. This trend has resulted in the displacement of many Colorado families – including children and seniors – from their affordable housing communities. Providing a financial incentive to manufactured home park owners to sell the land to their residents will help preserve residential communities at a time when there is an affordable housing shortage across the state.
- Requiring the residents of manufactured home parks to form an organization and communicate with the park owners will ensure they are prepared to make a competitive offer and responsibly manage their communities.
- Colorado's income inequality has been growing in recent years. When residents of manufactured home parks are able to own and preserve their communities, their homes are more likely to appreciate in value and develop equity.¹
- Low-income manufactured home owners are generally more satisfied with the quality of their homes and pay less for housing than traditional low-income renters: Colorado should promote and protect these communities as a form of quality affordable housing.²

For more information:

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¹ Kevin Jewell, *Manufactured Housing Appreciation: Stereotypes and Data*. The Consumers Union, April 2003, <https://consumersunion.org/pdf/mh/Appreciation.pdf>

² Dr. Thomas P. Boehm and Dr. Alan Schlottmann, *Is Manufactured Housing a Good Alternative for Low-Income Families? Evidence from the American Housing Survey*. U.S. Department of Housing and Urban Development, December 2004, <http://bit.ly/2kSKqGc>