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**TESTIMONY OF THE MAINE ASSOCIATION OF PLANNERS
TO THE JOINT SELECT COMMITTEE ON HOUSING**

WRITTEN TESTIMONY PROVIDED IN FAVOR

LD # 337

**“AN ACT TO AMEND THE REGULATION OF MANUFACTURED HOUSING TO
INCREASE AFFORDABLE HOUSING”**

DATE OF HEARING: Jan 23, 2024

**Honorable Senator Teresa Pierce, Honorable Representative Traci Gere, Distinguished
Members of the Committee on Housing:**

What do you imagine when you hear the term mobile home? Did you know that only 30% of mobile homes are in parks?¹ Did you know that 80% of mobile homes have remained at the first site they were initially installed?² The vast majority of mobile homes have been providing affordable housing on individual lots in the form of single family homes or Accessory Dwelling units (ADUs). However, the image many of us carry today is based on mobile homes built before US Housing and Urban Development (HUD) began regulating them in 1976. Now, HUD regulates energy conservation, life safety, and durability in line with site built homes. We will share with you why we need more manufactured housing today and why we need this bill.

Why Manufactured Housing?

- **Manufactured housing is unsubsidized affordable housing:** The housing market continues to bar middle and lower income families from home ownership. Manufactured housing provides access. The median income for families living in manufactured housing in the northeast is \$41,000 and these families pay only 16% of their income on housing³. No other unsubsidized housing type provides this. In 2023, the median price for a new manufactured home (both single and multi unit) was \$127K⁴. Not a house in Maine has been built for that price in years.
- **Manufactured housing today is high in quality and safety when compared to site built homes.** Home builders in Maine are completely unregulated with no license, certificate, or

¹ HUD Manufactured Housing Survey (2017)

² US Census Bureau American Housing Survey (2013)

³ US Census Bureau American Community Survey (2017)

⁴ US Census Bureau Manufactured Housing Survey (2014-2023)



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standards and can build without adherence to the state's unified building code in most of Maine's municipalities (populations under 4,000) and often without need of permits or inspections. In contrast, manufactured homes are built in controlled indoor environments, by licensed and heavily regulated manufacturers, inspected by licensed inspectors, and sold by licensed retailers. They must meet federal life safety standards and regional standards for variables like snow and wind load.

- **Manufactured homes appreciate in value.** The number of studies debunking the common myth that mobile homes depreciate are numerous^{5 6 7 8} including HUD's own analysis which found that "The large proportion of manufactured homes in rental parks contributes greatly to the lower appreciation experienced by manufactured home owners as a whole, as land ownership is an important driver of appreciation....Even so, average appreciation rates of manufactured homes packaged with owned land are statistically in line with the site built market..."⁹
- **Manufactured Housing is age-friendly and mobility-limited friendly.** Manufactured homes provide single story living and are on average half the size of the modern site-built home. This has historically been an important housing type for older adults and those with disabilities. Today almost half of manufactured home households include a person age 65 or older and almost 30 percent of manufactured homeowners have disabilities.¹⁰

Why is this bill needed?

This bill will help municipalities better utilize manufactured housing as an affordable housing tool by overcoming old stigmas against mobile homes that prohibit them in many local zoning codes. A 2020 report from Fannie Mae found that "Despite the cost advantages of manufactured homes, many municipalities are increasingly using zoning and other land use regulations to restrict or eliminate the number of manufactured homes located within their boundaries, which likely dampens demand for manufactured homes. Zoning restrictions take several forms, including the complete exclusion of

⁵ [New evidence shows manufactured homes appreciate as well as site-built homes | Urban Institute](#)

⁶ [Fannie Mae - Manufactured Housing Landscape 2020](#)

⁷ [Harvard - Comparison of the Costs of Manufactured and Site-Built Housing](#)

⁸ [Policymakers Can Expand Access to Lower-Cost Housing With Manufactured Homes](#)

⁹ [HUD - Manufactured Housing Appreciation](#)

¹⁰ US Census Bureau American Community Survey (2011-2015), NH Community Loan Fund



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manufactured homes or the exclusion of manufactured homes from single-family residential zones. Other zoning restrictions impose minimum lot-size requirements specific to manufactured homes...¹¹

As members of the committee are likely aware, local land use ordinances take significant resources and political effort to modernize and often lag behind current needs and norms. State law can help municipalities overcome these barriers. Modern manufactured homes are often indistinguishable from site built housing and should no longer be regulated as inferior.

This bill will prevent local zoning from discriminating against this affordable housing type by allowing manufactured housing (defined as HUD certified post 1976 mobile homes and state certified modular homes) to be erected anywhere single family homes are allowed and subject to the same rules. Right now, LD 2003 has required municipalities to change local zoning to allow more housing. This bill simply allows those house lots to be used for housing that is affordable. LD 2003 also provided opportunities for ADU development yet little development has taken place because construction costs remain high. Manufactured Housing is a perfect solution yet it continues to be prohibited in many locations.

What this bill does not do:

- It does **not** allow mobile home parks everywhere. Parks are regulated separately in title 30-A, title 10, and Manufactured Housing Board rules. Municipalities will still retain the same zoning controls on parks. This bill only impacts individual lots.
- It has **no** effect on towns without zoning.
- It does **not** impact or change regulations on pre-1976 mobile homes.
- It does **not** preempt local building codes because building codes are already determined by the state. However, federal HUD standards do preempt the state's MUBEC building codes.
- While it will not be prohibited, this bill will **not** cause a rise of mobile homes in high income neighborhoods. Research has found a low prevalence of manufactured homes in higher land cost areas because the higher land cost represents such a significant portion of the home cost that the home would no longer be affordable. Manufactured housing naturally occurs in lower land cost areas. Therefore, higher income neighborhoods will not see a large influx of manufactured homes.¹²

¹¹ [Fannie Mae - Manufactured Housing Landscape 2020](#)

¹² [Harvard - Comparison of the Costs of Manufactured and Site-Built Housing](#)





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Sincerely,

The Maine Association of Planners Legislative Policy Committee

