

03/18/99
relocation

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Introduced By:

Clerk 03/22/99

Proposed No.:

1999-0183

MOTION NO. **10664**

A MOTION approving policies governing use of housing opportunity funds to assist low-income residents of mobile home parks who are displaced due to redevelopment.

WHEREAS, mobile home parks provide the most affordable opportunity for home ownership for low-and moderate-income residents of King County, and

WHEREAS, three mobile home parks in King County outside the City of Seattle are currently closing and the owners of these parks have issued one-year eviction notices to the residents, and

WHEREAS, due to the high cost of moving a home and the shortage of vacant mobile home park spaces to which a home can be relocated, mobile home park residents who must vacate their park face the possibility of losing their home, and

WHEREAS, the King County council set aside fifty thousand dollars in the 1999 Budget Ordinance, Ordinance 13340, to provide a flexible funding source to assist tenants outside the City of Seattle who are required to relocate because of redevelopment and to provide an incentive to cities to adopt relocation policies to allow their residents access to the funds;

10664

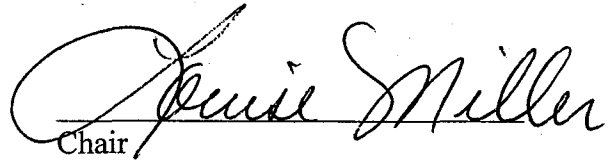
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NOW, THEREFORE, BE IT MOVED by the Council of King County:

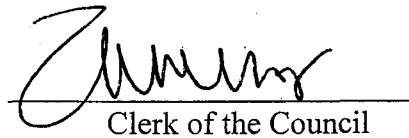
The county executive is authorized to disburse housing opportunity funds to assist low-income residents who are being displaced in accordance with the attached program guidelines.

PASSED by a vote of 12 to 0 this 12th day of April,
1999.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Chair

ATTEST:


Clerk of the Council

Attachments: Policies Governing Relocation Assistance Funds, March 1999

**POLICIES GOVERNING
RELOCATION ASSISTANCE FUNDS
March 1999
Revised April 7, 1999**

In the 1999 Budget, the King County Council appropriated \$50,000 in Housing Opportunity Funds with the Proviso that the funds be used to provide assistance to low-income residents who are being displaced from their housing. Executive staff was directed to prepare guidelines for the use of these funds for approval by the County Council.

I. The Need for Mobile Home Park Relocation Assistance

Mobile homes are an integral part of our existing affordable housing stock. Countywide, approximately 12,000 households reside in about 160 mobile home parks. However, some of this affordable housing is at risk. Currently in King County outside of Seattle, about 150 mobile home park residents in three parks have been served with eviction notices. Many of these households are elderly and/or low income. They have few options: mobile homes are expensive to move and few locations are available to relocate the homes. If the home cannot be moved, the homeowner is likely to lose the home, face increased housing costs in an apartment or rented home, and may very well face an unpaid mortgage on the mobile home.

Relocation assistance provided to mobile home owners has the benefit of both assisting displaced low income households, while at the same time preserving existing units of affordable housing. For residents who cannot move their home, financial assistance can help with the transition to rental housing or, for some, purchase of another home.

The State provides financial assistance to mobile home owners through the Mobile Home Relocation Assistance Program. The State will reimburse for actual expenses up to \$3,500 for each single wide mobile home and \$7,500 for each double wide mobile home that is displaced when a park closes.

King County's relocation assistance funds should be used to supplement the State program for the following reasons:

- The State pays only for the cost of physically moving the mobile home from a mobile home park being closed. The cost of moving additional structures, such as decks, storage sheds and carports, is not covered. These structures may be required for the new location.
- Owners who are not able to move their mobile homes are not eligible for assistance. These households may incur costs for both demolition of their home and relocation to new housing. These are the households most impacted by a park closure and who are often in the greatest need of assistance.

- Even those eligible for State assistance may need additional help. The gap between state assistance and the actual cost of relocation ranges from an estimated \$1,500 to \$8,000 per residence depending on the size and configuration of the home. However, State statute requires a reduction in State relocation assistance for each dollar of relocation assistance donated from other sources, so additional County assistance must be structured carefully.

II. Use of Relocation Assistance Funds for Displaced Mobile Home Park Residents

King County will allocate up to \$50,000 in Housing Opportunity Funds to provide financial assistance to low-income mobile home owners who are evicted from a mobile home park because of park closure for actual expenses up to \$3,000 per household.

Assistance Provided

- reimbursement for costs necessary to allow the existing mobile home and any accessory structures to be moved and sited, which are not paid for by the state Mobile Home Relocation Assistance Program
- reimbursement for relocation costs incurred by home owners who are unable to relocate their homes
- referral information to other first-time homebuyer and affordable rental housing opportunities
- referral information to housing repair programs for relocations within King County

Eligible Recipients

Mobile home owners who:

- are served notice of eviction due to park closure after establishing residence at the park,
- earn less than 50% of the King County median income adjusted for household size, with a priority for households with incomes below 30% of median, and
- lack assets necessary to pay for relocation expenses.

Eligible Expenses

Mobile Home Relocation

- Relocation-related costs not covered by the State, including moving and set-up expenses for detached structures, costs associated with acquiring and improving a site to relocate a home, and other costs necessary to move and site a home that exceed the maximum State reimbursements.

General Relocation (does not involve moving a mobile home):

- Assistance to relocate to rental housing (first and last month's rent, security deposit, utility hookups/deposits)
- Moving of goods and furnishings
- Demolition of a mobile home when it cannot be moved from the park
- Assistance to purchase a home (as a supplement to the Open Door Loan Program and other home buyer resources)

Application Process

The funds will be administered by the King County Housing Finance Program (HFP), which will make funds available via a lottery.

HFP will send notices to residents of Tye Lake Boren Mobile Home Park, Lake Terrace Mobile Home Park and Depot Village Mobile Home Park alerting residents to the availability of relocation assistance funds and the timeframe for making an application. Additional notices will be sent if other mobile home parks issue eviction notices while funds are still available.

Mobile home owners will complete a brief application form. HFP will select households to receive funds using a lottery, first selecting from those households with incomes below 30% of the King County median and second from households with incomes between 30% and 50% of median. HFP will set aside funds for the selected households after verifying income and assets. The remaining households will be put on a waiting list.

The funds would be held for a specified period to allow selected households to move out of the park and submit receipts of payment of moving expenses. County funding will be disbursed to reimburse for eligible costs incurred and paid by the mobile home owner. Once the time period for submitting requests for reimbursements has passed, any remaining funds will be made available for households on the waiting list.