Southwest Pennsylvania Policy Snapshot
Highlights of State and Local Policies affecting Manufactured Homes and Their Owners

July 2014
This Snapshot highlights some of the most important Pennsylvania state policies that affect manufactured homes and their owners. It was prepared by the National Consumer Law Center for *I'M HOME: Innovations in Manufactured Homes*, an initiative spearheaded by CFED – the Corporation for Enterprise Development, July 2014.

**Summary**

In Pennsylvania, most manufactured homes are titled as personal property rather than as real estate, which, along with other issues common to manufactured housing, keeps homeowners from enjoying the same security and potential for wealth creation enjoyed by owners of site-built homes.

Weatherization and energy-efficiency programs in the area are generally available for manufactured homes on the same basis as site-built homes.

In some areas, Pennsylvania’s manufactured home community laws provide some strong protections for homeowners such as protection against unfair eviction, the right to sell a home in a manufactured home community and relocation expenses. Pennsylvania law is weak in other areas, such as protecting the right of residents to meet and distribute leaflets and supporting resident purchase of manufactured home communities. Pennsylvania’s housing finance agency has been innovative and supportive of residents seeking to purchase their communities. PHFA has also been a leader among housing finance agencies in successfully investing in manufactured home mortgages.¹

### 1. Titling

**Right to treat home as real property.** The way in which a state governs the titling of manufactured homes, especially when homes may be converted from personal property to real property, has major implications for owners and purchasers. Although a modern manufactured home may be indistinguishable from a site-built home to many observers, in Pennsylvania and in many other states it is considered personal property, like a car or a television set, rather than real property, absent some sort of conversion to real property. In contrast, at least one state, New Hampshire, provides that manufactured homes are automatically titled as real property.

In Pennsylvania, the certificate of title for a manufactured home may be canceled by transferring the interest in the home to the land upon which it is affixed. This system would work for homeowners whose home is placed on land that they own, but does not allow homeowners in land-lease communities to convert their homes to real property. It is also unworkable for those in resident owned communities even though they have a level of ownership interest in the land, because title to their homes would merge with title to the land. As a result, homeowners in communities are relegated to high-cost chattel financing rather than regular mortgage loans.

---

An avenue for homeowners in communities to access mortgage financing would exist if these homeowners could obtain a long-term lease. For example, a lease at least one year longer than the term of the mortgage might qualify a homeowner in a community for a mortgage loan.

The Uniform Manufactured Housing Act adopted by the Uniform Law Commission in 2012 provides a simple and consistent process for manufactured homes located either on owned property or leased land to convert title to real property. This Act has been introduced in at least one state legislature, but not yet in Pennsylvania.

2. State Weatherization Programs and Other Manufactured Housing Energy Utilization Reduction Programs

The Pennsylvania state Weatherization Assistance Program (WAP) serves families living in manufactured housing under the same processes and rules as families living in site-built homes. Manufactured homes require different types of weatherization procedures than site-built homes and WAP program providers are trained in how to weatherize manufactured homes. There are no programs solely targeted to manufactured homes, however.

The major investor-owned gas and electric utilities in the eight-county region are Duquesne Light (serving Allegheny and Beaver Counties), West Penn Power (serving the remaining six counties), People’s Natural Gas (serving all eight counties and now including Equitable Gas, which it purchased in late 2013) and Columbia Gas (also serving all eight counties). REA Energy Cooperative serves a total of about 850 consumers in Armstrong and Westmoreland Counties. Duquesne Light provides low-income residential, home-owning customers with free energy education and usage reduction measures. Residents of manufactured housing are eligible according to the same rules and policies as residents of site-built homes.

Similarly, Columbia Gas and People’s Natural Gas (formerly Equitable Gas) each offer Low-Income Usage Reduction Programs (LIURPs) which provide low-income customers with usage reduction measures. Residents of manufactured housing are also eligible for LIURPs provided by Columbia Gas and People’s Natural Gas under the same rules and policies as residents of site-built homes.

West Penn Power provides a variety of energy efficiency programs, including rebates for customers who purchase more efficient home appliances, including water heaters and HVAC equipment. Neither its website nor its representative could identify any way in which manufactured homes are treated differently from site-built homes. REA Power provides home energy audits and water heater and load control programs, but not weatherization. It treats manufactured homes the same as site-built homes.

3. State Housing Finance Agencies

The Pennsylvania Housing and Finance Agency (PHFA) invests in single-family financing programs through participating lenders. Funding is equally available for manufactured homes and site-built

---

2 http://www.uniformlaws.org/NewsDetail.aspx?title=Uniform+Manufactured+Housing+Act+Approved
homes. Since PHFA requires a real estate mortgage, the home must qualify for treatment as real property under state law. PHFA requires the homeowner either to own the land or to have a long-term lease on the land. PHFA has programs to finance both the purchase of a home and the repair of an existing home. As described in a major study of performance of mortgages on manufactured homes\(^3\), PHFA has demonstrated exemplary performance in this area, related to high-touch servicing and other practices.

PHFA’s programs for housing development are generally available for manufactured housing on the same basis as site-built housing. Its Low-Income Housing Tax Credit (LIHTC) program, funded by the U.S. Department of the Treasury, has been mostly used for multi-family dwellings or townhouse-type developments, but some projects have been funded that used manufactured housing. One of the factors PHFA uses for rating proposals for LIHTC projects is energy efficiency, where well-built manufactured homes score high.

PHFA has also created an innovative special fund to facilitate the transition of manufactured home communities into resident ownership. PHFA’s board set aside $500,000 for this fund several years ago. PHFA can use this fund in flexible ways that meet the particular needs of a project. It has used the fund as a way to enable residents to pay for pre-development costs such as legal work and capital needs assessments.

4. Licensing Issues for Nonprofit Developers

As a condition of licensure, Pennsylvania requires manufactured home dealers to have a location with a display area of at least 5,000 square feet. This requirement would likely be a barrier for a nonprofit manufactured housing developer.

5. Provisions Regarding Manufactured Home Communities and Community Residents

- **Affirmative protections for fundamental freedoms.** Almost half the states affirmatively guarantee fundamental freedoms—such as the right to canvas their neighbors, hold meetings, distribute flyers, and invite public officials and candidates to speak—to residents of manufactured home communities. Pennsylvania does not have statutes or regulations providing these affirmative protections.

- **Protection against retaliation.** Most states, even if they do not provide affirmative protections for fundamental freedoms, at least prohibit community owners from retaliating against residents for exercising these rights. Pennsylvania prohibits eviction of a resident from a manufactured home community in retaliation for exercising legal rights. In addition, a general landlord-tenant statute prohibits eviction because of participation in a resident organization.

---

\(^3\) Banker, Howard and Robin LeBaron (Fair Mortgage Collaborative). *Toward a Sustainable and Responsible Expansion of Affordable Mortgages for Manufactured Homes*. Washington, DC: Corporation for Enterprise Development, March 2013.
**Notice before community closure.** About half the states require a substantial notice period before a manufactured home community closes. Pennsylvania requires that community owners provide 180 days’ notice before closure of all or part of the community. This protection is helpful, but shorter than most of the other states that have this protection. Seven other states require a 180-day notice, but three states require nine months’ notice, eight states require a one-year notice and two states require notice of more than a year.

**Purchase opportunity.** The fundamental reason that homeowners in manufactured home communities are so vulnerable is that they do not own the land under their homes. Nineteen states have a policy on the books that requires or encourages community owners to give residents the opportunity to purchase the land on which their homes sit. Pennsylvania is one of these states, but its policy is very weak. It requires notice to the residents and to the Pennsylvania Housing Finance Agency when a community is being sold—but only 30 days after the sale, when it is too late for the residents to submit a bid. It also requires a community owner to consider any offer for the purchase of the community that is made by a resident organization (or a housing authority, a nonprofit organization, a community development corporation or a redevelopment authority), and negotiate it with good faith. Although Pennsylvania law does not provide any effective way for residents to learn with adequate advance notice that their community is for sale, this provision may be beneficial to residents if they happen to learn about a potential sale in time to make an offer.

In contrast, a number of other states require that residents receive notice 45 to 60 days before a sale may take place.

**Protection against arbitrary eviction.** Some states, including Pennsylvania, protect homeowners in manufactured home communities from eviction or nonrenewal of their leases unless they have done something wrong, such as failing to pay lot rent or violating a rule.

**Right to sell home in place.** Manufactured home community owners can effectively prevent homeowners from selling their homes by reserving the right to reject any potential buyer as a resident. Many states, including Pennsylvania, prohibit arbitrary rejection of a buyer’s application for residency. Pennsylvania also prohibits entry fees and exit fees.

**Relocation expenses.** About a third of the states, including Pennsylvania, have programs, usually funded at least in part by community owners, for paying the costs of moving homes if a manufactured home community closes. When a manufactured home community is closing, Pennsylvania requires the community owner to pay relocation expenses up to $4,000 for a single-section home and $6,000 for a multi-section home, adjusted annually for inflation.

**Requirement of lease of at least one year.** About twenty states require the owner of a manufactured home community to offer homeowners leases of at least a year. This requirement provides a modicum of security of tenure. In Pennsylvania, the lease must be for just one month unless the parties agree on a longer term. However, the lease must be renewable, so the protections are similar to those of a longer-term lease, but not sufficient to qualify the homeowner for a mortgage loan, which in most cases would require a lease at least one year longer than the mortgage.
term (e.g., a 31-year lease for a 30-year mortgage). Massachusetts, the state that requires the longest lease at five years, is also well below this level.

**+/- Requirement that community owner maintain the community.** Many states specifically require manufactured home community owners to maintain common areas, utility service and other services so that they are clean, safe, and in good working order. Pennsylvania does not have a statute to this effect. However, Pennsylvania courts have placed this duty on community owners.

**- Administrative complaint procedure.** Some states offer a simple administrative procedure for resolving residents’ complaints about their manufactured home community, but Pennsylvania does not.

**+ Resident ability to enforce the laws.** A right without a remedy is unlikely to be effective. Recognizing this, many states specifically provide that residents have the right to enforce the manufactured home community protections. Pennsylvania allows residents to bring suit to enforce the Manufactured Home Community Rights Act. In addition, residents can use the state’s general consumer protection law—which allows the court to award up to treble damages and attorney fees—as a way of enforcing that Act. The state attorney general can also enforce the Act.

6. What is the Local/Municipal Policy Environment?

**Local Zoning and Fee-Simple Manufactured Homes**

Some states prohibit counties and municipalities from using zoning, subdivision or any other regulation affecting development which excludes or has the effect of excluding manufactured homes that meet building code standards. Pennsylvania requires local zoning ordinances to be designed to include “a reasonable range of multifamily dwellings in various arrangements, mobile homes and mobile home parks,” so it appears that manufactured homes and manufactured home communities cannot be entirely excluded from a local jurisdiction.

Zoning ordinances are adopted on the local level by counties and municipalities. In general, counties in Pennsylvania have authority to adopt zoning ordinances that apply to areas that are not covered by a municipality’s zoning ordinance. Some of the counties in southwest Pennsylvania have done so and have addressed manufactured homes in their ordinances. Fayette County’s zoning ordinances allows mobile home parks only by special exception and only in R-2 districts and districts with an airport overlay, but appears to treat manufactured homes that are not in communities the same as any other single-family dwelling. Westmoreland County encourages municipalities to treat manufactured homes the same as site-built single-family dwellings and to allow them by right in all zoning districts that allow single-family housing.

Armstrong, Allegheny, Butler, Fayette, Greene and Westmoreland Counties have ordinances that address land-use issues for manufactured home communities. The typical ordinance requires submission and approval of a plan before construction of a manufactured home community, and regulates lot size, buffer zones, recreation space, setbacks, and water and sewer systems. In addition, Greene County’s ordinance requires the park management to maintain the park in good repair and
in a clean and sanitary condition, to supervise installation of manufactured homes, to allow county officials access for inspections and to maintain a registry of residents.

A sampling of zoning ordinances adopted by municipalities in the eight-county area shows a variety of ways of treating manufactured homes. Collier Township in Allegheny County defines “mobile homes” as a type of single-family dwelling, and does not treat them differently for zoning purposes than other single-family dwellings. It allows manufactured home communities as a conditional use in R-1 Rural Residential Districts, subject to requirements such as acreage, lot size, parking spaces, service by public sewers and access to roads. North Fayette Township, also in Allegheny County, allows manufactured homes in all residential zones, but only if the home is placed on a permanent foundation that meets certain requirements; otherwise, manufactured homes may be located only in mobile home parks. The borough of Economy and the borough of Harmony, both in Beaver County, have more than one residential zoning district but allow manufactured homes in only one of those districts.

Local Zoning and Preserving Manufactured Home Communities

Moratoria on Redevelopment

Many states allow a local jurisdiction to adopt a temporary moratorium on development. This can be a way to stop the closure of manufactured home communities while the jurisdiction works out a long-term solution. Pennsylvania’s Supreme Court has held that local jurisdictions have no authority to adopt a moratorium.

Local Tax and Other Financial Incentives to Preserve Communities

No municipalities in Pennsylvania are known to have adopted tax or other financial incentives for preservation of manufactured home communities.

Local Rent Control

No municipalities in Pennsylvania are known to have adopted rent control ordinances for manufactured home communities.

Manufactured Housing Inclusion in Consolidated Planning, Municipal Planning and Comprehensive Planning

A comprehensive plan acts as a framework for zoning, subdivision regulations, annexations and other policies. Like most states, Pennsylvania provides for local governments to adopt comprehensive plans, addressing land use, present and future housing needs, and other matters. Some states, but not Pennsylvania, require comprehensive plans to address manufactured homes or manufactured home communities.

Of the eight targeted counties in southwest Pennsylvania (Armstrong, Allegheny, Beaver, Butler, Fayette, Greene, Washington and Westmoreland), all at least survey the prevalence of manufactured homes in the county, sometimes in the comprehensive plan but other times in a supporting document such as a housing needs analysis. The comprehensive plans in two counties—Armstrong and Butler—note that some citizens have expressed opposition to manufactured homes, yet both plans reaffirm their treatment of manufactured homes as an important form of affordable housing. On the other hand, the implementation plan for Greene County’s comprehensive plan, after noting
the lower assessed values of manufactured homes, expresses a goal of “[i]ncreasing housing values through the construction of new ‘stick-built’ homes” as a way to “strengthen municipal finances, which will then lead to improved services and a higher quality of life.”

Some of the municipalities in the eight-county area have their own comprehensive plans. Often a number of municipalities will join together in a consortium to create a comprehensive plan. A sampling of these plans shows that they vary in the same way as the county plans in their treatment of manufactured homes.

Consolidated plans are documents that local jurisdictions submit to the U.S. Department of Housing and Urban Development as part of the CDBG and HOME funding process. The counties in southwest Pennsylvania that have their own consolidated plans are Allegheny, Beaver, Washington and Westmoreland Counties. In addition, Pittsburgh itself and Penn Hills, a large home rule municipality in Allegheny County, have consolidated plans. All can be accessed at http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/conplan/local/pa. Allegheny County’s 2014 action plan (the consolidated plan itself does not appear to be available on its website) does not mention mobile homes or manufactured homes, nor does the consolidated plan for the City of Pittsburgh. The consolidated plans for Washington and Westmoreland Counties note the prevalence of manufactured homes in the county, without otherwise addressing this form of housing. The Penn Hills consolidated plan notes that the community had successfully resisted campaigns to place impediments in the way of siting manufactured homes in the community, but otherwise does not address manufactured homes. The documents identified as consolidated plans on Beaver County’s website are packets of letters and forms and do not address manufactured housing.

The following table summarizes county-level manufactured home policies.
## County-Level Manufactured Home Policies
### Southwest Pennsylvania
#### July 2014

<table>
<thead>
<tr>
<th>County</th>
<th>Is full comprehensive plan on website?</th>
<th>Do comprehensive plan documents tally manufactured housing?</th>
<th>Do they address other manufactured housing issues?</th>
<th>Does county have consolidated plan?</th>
<th>Does consolidated plan mention manufactured housing?</th>
<th>Other county policy related to manufactured housing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegheny</td>
<td>Y</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>N/NA</td>
<td>Rules for buffer yards</td>
</tr>
<tr>
<td>Armstrong</td>
<td>Y</td>
<td>Y</td>
<td>Recognizes manufactured housing as affordable housing option</td>
<td>N</td>
<td>N/NA</td>
<td>Subdivision and land development ordinance – see below</td>
</tr>
<tr>
<td>Beaver</td>
<td>Y</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Butler</td>
<td>N¹</td>
<td>N</td>
<td>Recommends standards for manufactured home communities and infill; recognizes manufactured housing as affordable housing option</td>
<td>N</td>
<td>N</td>
<td>Subdivision and land development ordinance – see below</td>
</tr>
<tr>
<td>Fayette</td>
<td>N²</td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>N/NA</td>
<td>County zoning ordinance treats manufactured housing as single family; allows manufactured housing communities by special exception in R-2 and AH (an airport overlay zone)</td>
</tr>
</tbody>
</table>

¹ Phase II Recommendations only.
² Housing Appendix is on website, but most other sections of plan could not be found on website.
<table>
<thead>
<tr>
<th>County</th>
<th>Y</th>
<th>Y</th>
<th>Use of site-built homes will increase housing values and strengthen municipal finances</th>
<th>N</th>
<th>N/A</th>
<th>Subdivision and land development ordinance – see below</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greene</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td>N</td>
<td>N/A</td>
<td>Subdivision and land development ordinance – see below</td>
</tr>
<tr>
<td>Washington</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td>N</td>
<td>Y</td>
<td>Mentions prevalence of manufactured housing</td>
</tr>
<tr>
<td>Westmoreland</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td>N</td>
<td>Y</td>
<td>Mentions prevalence of manufactured housing</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>County Fair Housing Checklist states that municipal zoning ordinances should treat manufactured homes the same as site-built; county weatherization program provides belly board and ceiling insulation, door and window replacement, hot water tank wrap, and furnace work for manufactured homes</td>
</tr>
</tbody>
</table>

### Subdivision and land development ordinances: Armstrong, Butler, and Greene Counties have subdivision and land development ordinances that set detailed standards for manufactured home communities. These ordinances require the developer of a manufactured home community to obtain approval of the site plan for the community; regulate lot size (a minimum of 5000 square feet in Armstrong County, 10,000 square feet in Butler, and 4000 square feet in Greene); specify setbacks; set standards for roads, parking spaces, grading and drainage of the site, and water, sewer, and electric service; and require a percentage of the land to be set aside for recreation or as open space. Greene County places duties of the management of the community to maintain it in good repair and clean and sanitary condition; to supervise the installation of homes; and to maintain a registry of residents. Butler County’s ordinance also requires that single on-lot manufactured homes comply with the standards for single family homes in the zoning district where they are located and with the United States Standards Institute Standards for Mobile Homes, USA Standard A 119.1-1969, NFPA No. 501B-1968. Butler and Greene Counties require community owners to allow access for inspections by county officials.

Prepared by National Consumer Law Center for I'M HOME: Innovations in Manufactured Homes, an initiative spearheaded by CFED - Corporation for Enterprise Development, July 2014