

Rent protections for manufactured home parks get bipartisan support in Pa. House

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HARRISBURG — A bipartisan vote in the Pennsylvania House advanced legislation designed to protect residents of manufactured home parks from being priced out of their communities.

Democrats and Republicans supportive of the bill said it's needed to protect against instances where private equity firms buy the properties and raise rents by exorbitant amounts.

"As a mobile home community owner, I'm supposed to be on the other side of this issue. I'm supposed to be one of those guys who makes as much money as I possibly can off of the people that I rent to. But as a mobile home park owner, I have to look my tenants in the face every single day or every single time I drive into my park," said Rep. Dan Moul, R-Adams.

Moul explained the tenants who lease land in his park are mostly long-term. Most of the children who once lived there have grown and moved away. Those who remain in the park are largely senior citizens now living on fixed incomes. The rent, he said, is \$500 monthly and includes water, sewer and trash service.

He told of nearby communities where ownership sold to private equity, perhaps at market price, and rent skyrocketed.

"They buy my park, I guarantee you the rent will go to \$875 or \$900 almost overnight. And the people who are living in these parks do not live there because they're rich. They're living there because this is what they can afford," Moul said.

According to the Federal Reserve Bank of Philadelphia, as of 2023, there were 2,288 manufactured home communities across Pennsylvania with an estimated 55,900 households. The communities are spread across rural, exurban and suburban communities as well as some lower-density urban areas.

Census data shared by the bank showed that in Pennsylvania and on census tracts that include manufactured home communities, the median income was \$65,165, half of the residents had up to a high school diploma, one-quarter had a bachelor's degree or greater, about 6 in 10 were in the labor force, and the unemployment rate was above the state's average.

Introduced by Rep. Liz Hanbidge, D-Montgomery, House Bill 1250 is designed to prevent new owners of manufactured home communities from pricing out existing tenants.

Members of the state House cast a 144-59 vote to advance the bill to the Senate for further consideration. Forty-two Republicans joined all 102 Democrats in support.

According to the bill, land-lease agreements upon renewal or extension including rent, fees, service charges and assessments couldn't be raised beyond the Consumer Price Index for All Urban Consumers for the Northeast Region across the previous 12 months — no more than 2% if the inflationary average is below 2%, no more than 4% if the average exceeds 4%.

Increases wouldn't be permitted in cases where property owners were cited by code officials or another official entity for health and safety regulations. For the increase to take hold, the issue would have to be resolved at least 90 days prior.

Property owners would have to provide a minimum 90-day notice of rent increases, either by hand or by mail. Additional notification would also need to be posted in a public place within the community grounds.

The bill would make it impermissible for property owners to disrupt or attempt to prevent residents from organizing and operating a resident association.

"It's not uncommon to see these rents spike by 10, 25 or even 100 percent. I've seen it in my district. I've had hundreds of people come into my office on this issue," said Rep. Torren Ecker, R-Adams/Cumberland, who, like Moul, said he found it necessary to cross party lines on the issue.

Rep. Jeremy Shaffer, R-Allegheny, argued that while the bill is well-intentioned, it could "destroy" the free market economy for manufactured home communities. He said if enacted into law, it could prevent developers from creating such communities or from investing in existing places.

"If you were an owner, would you invest in a new pool, in new roads if you were uncertain whether or not you could recoup those investments?" Shaffer asked.

He suggested pursuing different legislation that would shift communities to a cooperative ownership model, work with the state attorney general to eliminate monopolization of such parks, and put a "mechanism" in place to help support residents forced to relocate should they be priced out.

Moul maintained that Hanbidge's bill was worthy of support. He compared soaring rents at mobile home parks to price gouging by gas stations when a hurricane knocks out competitors.

"It's our job as legislators to protect those that need our help the most, and to protect private equity firms that have unlimited amounts of money that turn around and gouge our senior citizens and our poorest people in this commonwealth is not the way we should act," Moul said.