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1 WHEREAS, protecting residents from arbitrary or unfair practices during
2 the sale, lease, or transfer of manufactured home communities is in the public
3 interest.

4 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
5 ALBUQUERQUE:

6 SECTION 1. The “MANUFACTURED HOME COMMUNITY STABILITY AND
7 EMPOWERMENT ORDINANCE, a new Article 26 in Chapter 14 of the Revised
8 Ordinances of Albuquerque, is hereby enacted as follows:

9 § 14-26-1. SHORT TITLE.

10 This article shall be known and may be cited as the “Manufactured Home
11 Community Stability and Empowerment Ordinance.”

12 § 14-26-2. INTENT.

13 The purpose of this Ordinance is to promote stability within Manufactured
14 Housing Communities and encourage the ownership of such properties by
15 their residents.

16 § 14-26-3. DEFINITIONS.

17 For the purpose of this Ordinance, certain terms, phrases, words and their
18 derivatives shall be construed as specified in this Ordinance. Where terms are
19 not defined, they shall have their ordinary accepted meaning within the
20 context with which they are used.

21 PROPERTY OWNER. The owner of a manufactured home community.

22 FAMILY MEMBER OF A HOMEOWNER OR PROPERTY OWNER. The
23 homeowner or property owner’s spouse, a child, parent, or grandparent of the
24 homeowner or property owner or the homeowner or property owner’s spouse,
25 or a descendant of any such person, and shall include all such persons,
26 whether of the whole or the half blood and whether related by blood or
27 adoption.

28 MANUFACTURED HOME. A structure transportable in one or more sections
29 that is built on a permanent chassis, is designed for use with or without a
30 permanent foundation when connected to the required utilities and meets the
31 construction safety standards of the federal Manufactured Housing Act of
32 1974. Similar structures that do not meet the construction safety standards of

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1 that Act are referred to as “mobile homes” and are not allowed to be installed
2 in the city.

3 **MANUFACTURED HOME COMMUNITY.** Any real property on which two or
4 more lots or spaces are offered for rent or lease for the placement of
5 manufactured homes and in which the primary use of the community or the
6 manufactured home section thereof is residential.

7 **MANUFACUTRED HOMEOWNER.** A person who owns a manufactured
8 home in a manufactured home community.

9 **RESIDENT HOMEOWNER GROUP.** Any organization, group, or association,
10 formal or informal, including a corporation or cooperative, that consists of
11 resident owners of manufactured homes in the manufactured home
12 community and is governed by and open to all owners of manufactured homes
13 who occupy the home and live in the community. A resident homeowner
14 group may allow resident owners of homes in the manufactured home
15 community to become members even though their homes do not meet the
16 definition of “manufactured home” as defined in this section. A resident
17 homeowner group may designate an agent to act on its behalf.

18 **§ 14-26-4 NOTICE TO RESIDENT OF INTENT TO SELL PROPERTY.**

19 (A) If a property owner intends to sell, lease, or transfer the manufactured
20 home community, the property owner shall, at least seven days prior to listing
21 the property for sale, notify each resident household in the manufactured
22 home community by first class mail with tracking to inform them of the intent
23 to sell.

24 **§ 14-26-5 NOTICE TO RESIDENTS OF PROPOSED SALE, LEASE, OR**
25 **TRANSFER.**

26 (A) If a property owner receives an offer for the sale, lease, or transfer of
27 the community that the property owner intends to accept, the property owner
28 shall, at least fifteen calendar days before making a final unconditional
29 acceptance of such offer, give notice:

30 (1) to each resident household in the manufactured home community by
31 certified mail with return receipt requested; and

32 (3) by delivery to each manufactured home on the property.

33 (B) The notice required by subsection (A) shall include:

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1 (1) a statement advising the recipient of the intended sale, lease or other
2 transfer of the manufactured home community,
3 (2) a statement of the homeowners' rights pursuant to this Ordinance and
4 the deadlines for exercising such rights, and
5 (3) the price, terms and conditions of any offer the property owner has
6 conditionally accepted or plans to accept concerning the community, or a
7 copy of such offer or purchase contract. In the case of a proposed sale of
8 more than one manufactured home community, or a manufactured home
9 community and one or more other non-related properties, in a single
10 transaction, the notice shall state both the aggregate price and the price of the
11 manufactured home community in which the homeowners receiving the notice
12 reside.

13 (C) A property owner may accept an offer for the sale, lease or transfer of
14 the community before giving the notice required by this section and the
15 purchase opportunity required by sections 5 through 9 of this Ordinance, as
16 long as the purchase agreement is contingent upon providing the requisite
17 notice and purchase opportunity.

18 **§ 14-26-6 PROPOSED PURCHASE AGREEMENT BY RESIDENT HOMEOWNER**
19 **GROUP.**

20 (A) No later than the fifteenth calendar day after a notice complying with
21 section 5 is mailed, a resident homeowner group, including a group formed
22 after the issuance of such notice, may deliver, in writing, a proposed purchase
23 agreement for the manufactured home community to the manufactured home
24 property owner, along with a statement that the owners of more than fifty
25 percent of the manufactured homes in the community that are occupied by the
26 homeowner or a family member of the homeowner support submitting the
27 proposed purchase agreement. A homeowner may indicate support for
28 proposing a purchase agreement by signing a petition or any other document
29 that so states.

30 (B) If the property owner does not receive a proposed purchase agreement
31 in writing from a resident homeowner group during the 15 calendar day period
32 provided by section 5, the property owner has no further duties under this

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1 ordinance with respect to the proposed sale, lease, or transfer of the
2 manufactured home community.

3 **§14-26-7 DUTY TO CONSIDER A RESIDENT HOMEOWNER GROUP’S**
4 **PROPOSED PURCHASE AGREEMENT.**

5 If a resident homeowner group or its assignee or agent delivers a proposed
6 purchase agreement in writing to the manufactured home property owner in
7 compliance with section 6, the manufactured home property owner shall
8 consider the group’s proposed purchase agreement and negotiate with the
9 group in good faith to determine whether a mutual agreement can be reached
10 to enable the group to purchase the community. The duty of good faith
11 includes a duty to make the same information available to a resident
12 homeowner group that the property owner has or would have provided to
13 another prospective purchaser. If the manufactured home property owner
14 rejects the resident homeowner group’s proposed purchase agreement, the
15 property owner must provide a good faith reason in writing to the group within
16 three days of the date of rejection.

17 **§14-26-8 PROPOSED PURCHASE AGREEMENT THAT MATCHES THE THIRD-**
18 **PARTY OFFER.**

19 If a resident homeowner group or its assignee or agent delivers a proposed
20 purchase agreement to the property owner in compliance with section 6 and
21 its proposed purchase agreement matches the price and terms and conditions
22 as the offer the property owner has conditionally accepted or plans to accept,
23 the group shall have the right to purchase the manufactured home community
24 at the price, terms, and conditions stated in its proposed purchase agreement,
25 and this section 8 shall apply rather than section 7. No property owner shall
26 unreasonably refuse to enter into or unreasonably delay the execution or
27 closing on a purchase agreement with a resident homeowner group which has
28 proposed a bona fide purchase agreement to meet the price and equivalent
29 terms and conditions of an offer for which notice is required to be given
30 pursuant to section 5.

31 **§14-26-9 FINANCING AND CLOSING.**

32 A property owner shall not reject a proposed purchase agreement solely on
33 the basis of its inclusion of a financing contingency. If a resident homeowner

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1 group and the property owner enter into a purchase agreement for the
2 community, the resident homeowner group shall have 45 calendar days from
3 the date of the agreement to arrange all necessary financing, and a
4 commercially reasonable time to close on the sale. If the group fails to arrange
5 all necessary financing during this 45 calendar day period, or such longer
6 period as the parties may agree to, or fails to close on the sale in compliance
7 with the purchase agreement executed by the parties, the property owner has
8 no further duties under this Ordinance with respect to that proposed sale,
9 lease, or transfer of the manufactured home community. No property owner
10 shall unreasonably delay the execution of, or closing on, a purchase
11 agreement with a resident homeowner group.

12 §14-26-10 SUBSEQUENT OFFERS.

13 If a property owner provides the notice and purchase opportunity required
14 by this Ordinance but it does not result in a purchase agreement between the
15 property owner and a resident homeowner group, and the property owner then
16 receives an offer at a different price or with different terms and conditions that
17 the property owner intends to accept, the requirements of this Ordinance shall
18 apply separately to that subsequent offer.

19 §14-26-11 EXEMPTIONS.

- 20 (A) This ordinance shall not apply to:
 - 21 (1) A sale, lease or transfer to a family member of the property owner or to
 - 22 a trust, the beneficiaries of which are family members of the property owner;
 - 23 (2) A transfer by gift, devise or operation of law;
 - 24 (3) A sale, lease or transfer by a partnership or a limited liability company
 - 25 to one or more of its partners or members, between joint tenants or tenants in
 - 26 common, or by a business entity to a subsidiary or affiliate of such entity;
 - 27 (4) A lease of a lot within the manufactured home community to a person
 - 28 who will live in a manufactured home on such lot;
 - 29 (5) A conveyance of an interest in the community that is incidental to the
 - 30 financing of such community; or
 - 31 (6) A sale or transfer pursuant to eminent domain.
- 32 (B) The exclusions set forth in this section shall not carry over to any
- 33 subsequent resale, lease or transfer of a community unless such subsequent

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1 resale, lease or transfer independently meets the criteria set forth in
2 subsection (a) of this section.

3 (C) To qualify for an exemption under this section, a transaction must not
4 be made in bad faith, must be made for a legitimate business purpose or a
5 legitimate familial purpose consistent with the exemptions listed in subsection
6 (A) of this section, and must not be made for the primary purpose of avoiding
7 the opportunity-to-purchase provisions set forth in this Ordinance.

8 (D) A manufactured home property owner shall not accept or conditionally
9 accept an offer for the sale, lease, or transfer of the community unless its
10 price, terms, and conditions are universal and applicable to all potential
11 buyers, nor shall such owner accept or conditionally accept an offer that
12 contains any provision penalizing the owner for entering into a purchase
13 agreement with a resident homeowner group.

14 §14-26-12 RESOURCES AVAILABLE TO RESIDENT HOMEOWNER GROUPS.

15 The City shall make available staff from the Office of Financial
16 Empowerment or it's successor division to act as resources to resident
17 homeowner groups seeking to utilize the provisions of this bill.

18 §14-26-13 PENALTY.

19 (A) Any person who violates any provision of this Ordinance is subject to
20 the general penalty provision of this code set forth in ROA 1994, § 1-1-99.

21 (B) A property owner who sells, leases, or transfers a community and fails
22 to comply with this Ordinance shall be liable to the resident homeowner group
23 in the amount of \$50,000 or 10 percent of the total sales price, whichever is
24 greater.

25 (C) A violation of this Ordinance is an unfair or deceptive practice and is a
26 violation of the "Unfair Practices Act," NMSA 1978, Chapter 57, Article 12.

27 SECTION 2. NOTICE TO RESIDENT HOMEOWNER GROUPS AND
28 PROPERTY OWNERS.

29 The City shall send a notice to all manufactured homeowners and property
30 owners as defined in this bill within 30 days of enactment of this Ordinance.
31 The notice shall include a copy of the approved bill, a one-page summary of
32 the bill, and contact information for the Office of Financial Empowerment or
33 it's successor division.

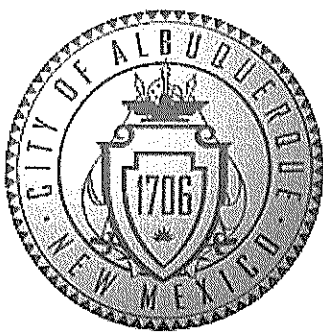
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1 SECTION 3. SEVERABILITY CLAUSE. If any section, paragraph, sentence,
2 clause, word or phrase of this ordinance is for any reason held to be invalid or
3 unenforceable by any court of competent jurisdiction, such decision shall not
4 affect the validity of the remaining provisions of this ordinance. The Council
5 hereby declares that it would have passed this ordinance and each section,
6 paragraph, sentence, clause, word or phrase thereof irrespective of any
7 provision being declared unconstitutional or otherwise invalid.

8 SECTION 4. COMPILATION. Section 1 of this ordinance shall be
9 incorporated in and made part of the Revised Ordinances of Albuquerque,
10 New Mexico, 1994 as a new Article 26 in Chapter 14, titled "Mobile Home
11 Community Stability and Empowerment Ordinance."

12 SECTION 5. EFFECTIVE DATE. This ordinance takes effect five days after
13 publication by title and general summary.

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CITY OF ALBUQUERQUE
Albuquerque, New Mexico
Office of the Mayor

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

October 9, 2024

TO: Dan Lewis, President, City Council

FROM: Timothy M. Keller, Mayor



SUBJECT: Manufactured Home Community Stability and Empowerment Ordinance

This bill proposes to amend the code of ordinances to create a new article called the “Manufactured Home Community Stability and Empowerment Ordinance”. The purpose of this bill is to offer a protection to the residents of manufactured home communities.

Residents in manufactured home communities are vulnerable populations because while they often own the structures they live in; they generally do not own the land underneath those structures and instead pay a “lot rent” to the landowner. This means that the landowner can sell the property at-will with no guarantees to the residents about potential changes in amenities, service, or lot rent charges. In the last year alone several manufactured home communities across Albuquerque have been sold, resulting in 25%-30% increases in lot rent.

This ordinance offers the community members a chance to organize and advocate for the ownership of their manufactured home community. It proposes that once a landowner has received an offer for purchase of the property, the landowner must give the community residents 15 days to provide a matching offer. If they can do so, the landowner shall have the right to purchase the property and the community will then have 45 days to arrange financing and close on the sale.

This bill would not preclude a property owner from moving forward with another offer once waiting periods have passed. The City’s Office of Financial Empowerment has been identified in the bill as a city department that can be a resource to manufactured housing communities seeking to navigate the provisions of this ordinance and there is a provision for the City to provide notification/education to property owners and residents if the bill passes.

Approved:

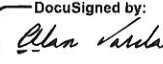
Approved as to Legal Form:

 10/11/24
Samantha Sengel, EdD Date
Chief Administrative Officer

 10/11/24
Date
City Attorney

Initial
ASC

Recommended:

DocuSigned by:
 10/11/2024 | 12:49 PM MDT
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Date
Planning Department Director

Cover Analysis

1. What is it?

An ordinance.

2. What will this piece of legislation do?

This legislation will create a new article called the “Manufactured Home Community Stability and Empowerment Ordinance”

3. Why is this project needed?

This legislation is needed because the residents of Manufactured Home Communities are a vulnerable population because while they often own the structures they live in; they generally do not own the land underneath those structures and instead pay a “lot rent” to the landowner.

4. How much will it cost and what is the funding source?

There is no cost to the City if this ordinance is passed.

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

There is no revenue associated with this project.

6. What will happen if the project is not approved?

If this bill is not approved, manufactured home communities will continue to not have the ability to advocate for ownership of their properties.

7. Is this service already provided by another entity?

No.

FISCAL IMPACT ANALYSIS

TITLE: MHC Bill

R: O:
 FUND:
 DEPT:

- No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	Fiscal Years			Total
	2025	2026	2027	
Base Salary/Wages				-
Fringe Benefits at				-
Subtotal Personnel	-	-	-	-
Operating Expenses		-		-
Property			-	-
Indirect Costs	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -
<input checked="" type="checkbox"/> Estimated revenues not affected				
<input type="checkbox"/> Estimated revenue impact				
Revenue from program				0
Amount of Grant		-	-	
City Cash Match				
City Inkind Match				
City IDOH	-	-	-	-
Total Revenue	\$ -	\$ -	\$ -	\$ -

These estimates do not include any adjustment for inflation.
 * Range if not easily quantifiable.

Number of Positions created

COMMENTS: This bill has no fiscal impact to the City.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY:

DocuSigned by:
Christine Ching 10/11/2024 | 11:46 AM MDT
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 FISCAL ANALYST

APPROVED:

DocuSigned by:
Alan Suda 10/11/2024 | 12:49 PM MDT
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 Planning Department Director

REVIEWED BY:

DocuSigned by:
Donna Sandoval 10/11/2024 | 1:06 PM MDT
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 EXECUTIVE BUDGET ANALYST

[Signature] BUDGET OFFICER (date)

Christina & Bob CITY ECONOMIST