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To: Representative Liz Olson Senator John Marty
Chair, House Ways and Means Chair, Senate Finance

From: Ryan Baumtrog, Assistant Commissioner, Minnesota Housing *RB*

Subject: Report on Minnesota Manufactured Housing Relocation Trust Fund Activity

Minnesota Statutes 327C.095, Subd. 13 (h) requires Minnesota Housing to submit a report on the Minnesota Manufactured Housing Relocation Trust Fund annually each year. The Minnesota Manufactured Housing Relocation Trust Fund (Trust Fund) was established in 2007. The Trust Fund assists owners of manufactured homes with expenses if their manufactured home park closes.

Park owners are required to make payments to the Trust Fund when their manufactured housing park is being closed. A cap on the amount paid by the park owner is set in the statute and varies depending on whether a home will be moved or abandoned (Minn. Stat. § 327C.095, Subd. 12 (a)).

The local government in which the closing manufactured home park is located is required to appoint a neutral third party to resolve questions or disputes regarding contributions to and disbursements from the Trust Fund (Minn. Stat. § 327C.095, Subd. 4). Based on the neutral third party's decisions, Minnesota Housing is charged with making payments out of the Trust Fund to homeowners, moving and towing contractors and others.

Minnesota Management and Budget assesses manufactured park owners \$15.00 per licensed lot in accordance to M.S. 327C.095, Subd. 12 (c) which allows collection of payments when the Trust Fund is less than \$2,000,000 as of June 30 of each year. Under current law, park owners may collect this amount from those renting in the park. Beginning July 1, 2024, the responsibility to assess manufactured park owners transfers to Minnesota Housing.

The following is a summary of the Trust Fund revenues and payments for FY 2023.

**FY 2023 MANUFACTURED HOUSING RELOCATION TRUST FUND ACTIVITY
JULY 1, 2022 –JUNE 30, 2023**

Beginning Balance at 7/1/2022	\$1,701,876
Total Revenues	\$414,858
Total Payments	\$0
Administrative expenses deducted from the Trust Fund-MHFA	\$9,761
Balance in Trust Fund – 6/30/2023	\$2,106,973

The Trust Fund did not have any deficiencies or advances in FY 2023.

No payments were paid in FY 2023. Eastwood Estates in Redwood Falls has initiated the park closure process, as well as North Side MHP in Grove City, MN. The two active park closures are estimated to impact no more than five homeowners. Payments related to these park closures will likely be reflected in FY 2024.

If you have any questions you can reach out to me at 651-296-9820 or at ryan.baumtrog@state.mn.us.