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MEMORANDUM

TO: General Services Committee

FROM: Shawn Raborn, City Manager

DATE: June 21, 2017

SUBJECT: Discuss and or Consider regulation of industrialized and manufactured housing within the community.

Staff will discuss with the committee the current status of industrialized and manufactured housing regulations and obtain committee input on how to proceed with the review process.

MEMORANDUM

TO: General Services Committee

FROM: Shawn Raborn, City Manager

DATE: June 16, 2017

SUBJECT: Discuss and or Consider Regulation of industrialized housing

The City of La Grange does not currently regulate the placement of industrialized homes within the community. Staff will review with the committee the regulation of industrialized housing.

Attachment:

- 1) Updated Draft regulation of industrialized housing
- 2) Occupations Code Section 1202.253 Municipal Regulation of Single-Family and Duplex Industrialized Housing
- 3) Modular Housing Article
- 4) Real Estate Center – Modular Housing Report

How to Place an Industrialized Home on Your Property

1. Determine the zoning of your property. Your property must be zoned R (Single Family Residential), to place an industrialized home on it.
My property is zoned: _____
2. Determine if there are any other structures on your property. Lots zoned R may only have one structure per lot.
Are there any other residences on the lot? _____
If yes, do you have a plan to remove the existing residence before locating the industrialized home on my lot? _____
If you do not have a plan to remove the existing residences before locating the industrialized home on the lot, you must contact a surveyor and have the lot subdivided.
3. Understand the difference between industrialized homes and manufactured homes.
 - An industrialized home is built to the City of La Grange adopted building code standards (Currently 2003 International Building Code) and a manufactured home is built to HUD code standards.
 - An industrialized home is designed to be installed on a permanent foundation. A manufactured home may or may not be installed on a permanent foundation. A permanent foundation is one that meets building code requirements, i.e. either a pier and beam or concrete foundation.
4. Once you have found a company to purchase an industrialized home from, ask the company for their Texas Department of Licensing and Registration number to verify they are currently registered and in good standing as an industrialized builder. Registration as a manufactured housing retailer or installer is not the same as registration as an industrialized builder.
What is the Texas Department of Licensing and Registration number for the company I am buying the structure from? _____
5. Ask for the following information for the industrialized house you have chosen:
 - The name, Texas registration number, and address of the manufacturer and industrialized builder.
 - A description of the location of the data plate and explanation of the information thereon.
 - The location of the decal(s) or insignia on the module or modular components.
 - The floor plan of the building and schematic drawings of the plumbing, electrical, and heating/ventilation systems.
 - A site plan showing the on-site location of all utilities and utility taps.
 - A completed signed copy of the energy compliance checklist.
 - A set of approved plans as necessary to obtain a building permit (including foundation plans). If the typical foundation drawing is not suitable for a specific site, or if the structure is only partially constructed of modular components, or if the builder will add unique on-site details, then a licensed Texas professional engineer or architect shall design and stamp the unique foundation drawings or

on-site details.

- The address and phone number of this department for consumer complaints.

If the company you are working with cannot provide you with any of the above information, it is likely the structure they are trying to sell you is not an industrialized home!

It is very important to view the plans for the home, and look for a stamp from the Texas Industrialized Building Council on the plans. If the plans are not stamped by the Texas Industrialized Building Council, the structure is not an industrialized home.

If you are purchasing a used structure, the company selling the structure to you should be able to provide you with the required plans which are stamped by the Texas Industrialized Building Council.

Take a copy of the plans to the City of La Grange Building Department, and ask them to determine if the plans show an industrialized home, and if the plans show a permanent foundation that meets building code requirements.

6. Go to the Fayette County Tax Appraisal District and request a copy of a map showing the lot you would like to place the structure on.
7. Bring the map from the Fayette County Tax Appraisal District to the City Building Department. The Building Department will help you highlight on the map the lots within 500 feet of your lot.
8. Go to the Fayette County Tax Appraisal District and request the addresses and taxable value of all the highlighted lots and your lot.
9. The value of the industrialized home that is proposed to be developed shall be equal to or greater than the median taxable value for each single-family dwelling located within 500 feet of the lot on which the industrialized home is proposed to be located as determined by the most recent certified tax appraisal roll from the Fayette County Tax Appraisal District.
10. The industrialized home that is proposed to be developed shall have exterior siding, roofing, roof pitch, foundation fascia, and fenestration compatible with the single-family dwellings located within 500 feet of the lot on which the industrialized home is proposed to be located.
11. Take a photograph of each of the houses or duplexes on the highlighted lots.
12. Take the plans for the structure you wish to purchase, the map, the list of addresses, and the photographs to a licensed architect and ask the architect if the structure you wish to purchase is compatible with the single-family and duplex homes within 500 feet, by having compatible:
 - Exterior siding

- Roofing
- Roofing pitch
- Foundation fascia

13. If the architect determines the structure you wish to purchase is compatible with the homes and duplexes within 500 feet of your lot, request them to provide you with a document that is stamped with their seal, and states the following:
 I have reviewed the single family structures within 500 feet of the lot on which the industrialized housing is proposed to be located, and I hereby certify the industrialized housing shown in the attached plans have exterior siding, roofing, roofing pitch, foundation fascia, and fenestration compatible with aforementioned single family dwellings.
14. Determine where you will place the structure on your lot. It is a good idea to obtain a survey to know exactly where your property lines are located. The required building setbacks differ for each zoning district. Contact the City of La Grange Building Department to determine what the required building setbacks are for your property.
15. Determine how you will connect to water and sewer utilities. To determine if your lot has access to water and sewer utilities and how to connect to those utilities, contact the City of La Grange Utilities.
16. Determine where you will place your driveway and vehicle parking. You are required to have a paved driveway plus a paved parking area. The paved parking area must be large enough for two cars (this can be either side by side parking – 18 feet wide by 19 feet long, or stacked parking – 9 feet wide by 38 feet long). The parking area must be at least 12 feet from the back of the curb, i.e. the driveway must be at least 12 feet long. The parking area may be covered (like a garage or carport) or uncovered. Paved means asphalt or concrete. Gravel driveways and parking areas are not permitted.
17. If you feel you meet the above criteria, now is the time to purchase the structure. To be sure all your information is correct, please feel free to bring it to the City Building Department for review prior to purchasing your structure. We would be happy to review your plans, architectural approval, information about homes within 500 feet, and site plan.
18. Prior to moving the structure on the property, you must obtain a building permit. To apply for a building permit, you must submit the following information:
- Completed building permit
 - 2 copies of building and foundation plans, with seal from the Texas Industrialized Building Council
 - 2 copies of a site plan, drawn to scale showing
 - Property lines
 - Location of street
 - Proposed location of structure
 - Location of any existing structures

- Setbacks from property lines and any existing structures
- Proposed driveway and parking area
- Appraisal district map with lots within 500 feet highlighted
- List of addresses and tax valuation of lots within 500 feet
- ~~Photographs, labeled with addresses, of each single family and duplex within 500 feet~~
- ~~Document stamped and signed by an architect, certifying compatibility~~
- A copy of the sales receipt, showing the purchase price of the structure, signed by the purchaser of the structure
- Application for driveway, if a new driveway must be installed.
- Application for water and/or sewer tap, if a new water/and or sewer tap must be installed.

19. City of La Grange staff will review the information you submitted for building permit for completeness and compliance with codes and regulations. Any required changes to the plans will be marked in red. The review may take from one to ten days.

20. Once the staff review is complete, and no major revisions are required, the Inspections Department will issue a building permit. At that time, you may move the structure on to the lot.

Please note: This list is meant as a guide to assist you in the process of locating an industrialized structure on your property. This list is not exhaustive of all codes and regulations. If you have any questions regarding this process or the rules and regulations for industrialized structures, please contact Jeff Rost at 979-968-5805.

Sec. 1202.253. MUNICIPAL REGULATION OF SINGLE-FAMILY AND DUPLEX INDUSTRIALIZED HOUSING. (a) Single-family or duplex industrialized housing must have all local permits and licenses that are applicable to other single-family or duplex dwellings.

(b) For purposes of this section, single-family or duplex industrialized housing is real property.

(c) A municipality may adopt regulations that require single-family or duplex industrialized housing to:

(1) have a value equal to or greater than the median taxable value for each single-family dwelling located within 500 feet of the lot on which the industrialized housing is proposed to be located, as determined by the most recent certified tax appraisal roll for each county in which the properties are located;

Text of subsec. (c) (2) as added by Acts 2003, 78th Leg., ch. 363, Sec. 2

(2) have exterior siding, roofing, roof pitch, foundation fascia, and fenestration compatible with the single-family dwellings located within 500 feet of the lot on which the industrialized housing is proposed to be located;

Text of subsec. (c) (2) as added by Acts 2003, 78th Leg., ch. 816, Sec. 10.016

(2) have exterior siding, roofing, roofing pitch, foundation fascia, and fenestration compatible with the single-family dwellings located within 500 feet of the lot on which the industrialized housing is proposed to be located;

(3) comply with municipal aesthetic standards, building setbacks, side and rear yard offsets, subdivision control, architectural landscaping, square footage, and other site requirements applicable to single-family dwellings; or

(4) be securely fixed to a permanent foundation.

(d) For purposes of Subsection (c), "value" means the taxable value of the industrialized housing and the lot after installation of the housing.

(e) Except as provided by Subsection (c), a municipality may not adopt a regulation under this section that is more restrictive for

industrialized housing than that required for a new single-family or duplex dwelling constructed on-site.

(f) This section does not:

(1) limit the authority of a municipality to adopt regulations to protect historic properties or historic districts; or

(2) affect deed restrictions.

Added by Acts 2003, 78th Leg., ch. 363, Sec. 2, eff. June 18, 2003; Acts 2003, 78th Leg., ch. 816, Sec. 10.016, eff. Sept. 1, 2003.

Will Modular Homes Make You Rethink Your Housing Options?

After years of high expectations but low numbers, these factory-built homes may be primed for breakout.

By [Teresa Mears](#), Contributor | March 27, 2015, at 12:31 p.m.

It seems that everywhere you turn online, you see another picture of a fabulous modular home, built in a factory but looking every bit as good as any home built on-site.

But looks can be deceiving. Decades after modular home building was touted as the wave of the [future in real estate](#), the actual number of modular homes built in the U.S. is still small – about 14,000 last year. While growth is slow, proponents see several factors that could boost modular construction’s popularity.

“The concept of modular is huge,” says Marianne Cusato, designer of the Katrina Cottages, which started as a plan for housing that could be built quickly [after a hurricane](#). “The idea that you can figure out online what you want, order it up and have it appear – it’s the holy grail of housing.”

Modular homes – built in a factory to local building codes and assembled on-site – made up less than 1.5 percent of all the homes built in the U.S. in 2014, according to Fred Hallahan of Hallahan Associates, a Baltimore housing consultant with a focus on modular housing. Modular homes are most popular in the Northeast, where labor costs are highest, making up 4 percent of all homes built in the region in 2014.

While modular homes made up only a small share of homes built last year, Hallahan says the “wave has been ready to crest for decades.” One reason for this is increased design flexibility, which has grown enormously with the help of computer-aided design. This often makes modular construction of custom houses more economical than stick-built homes.

Sheri Koonen, an author and journalist who specializes in writing about prefab construction, has written a series of richly illustrated books on the topic in the last decade, including “Prefabulous” and “Modular Mansions.” She believes modular is by far the best way to build.

“The people who are not using prefab, it’s because they don’t know it,” Koonen says. “It’s faster; the quality in general is better. ... It’s absolutely the best way to build a house.”

Kevin Flaherty, executive vice president of business development for Innovative Building Systems, which has seven factories that build modular [single-family homes](#) and commercial buildings under several company names, notes that modular homes have to be strong enough to

be transported and lifted with a crane. That guarantees high quality but also higher costs, meaning that modular homes in areas with lower wages cost about the same as traditional homes.

Flaherty points to economics as the primary reason modular homebuilding has not grown faster. “We build a stronger and more durable structure than site construction does,” he says.

When people hear “modular home,” they may think of mobile homes, now known as manufactured homes. But the two products are not the same. A modular home is built partly or entirely in a factory to the same standards that builders are required to meet in conventional on-site home construction.

If you want to buy a modular home, you can get a [conventional mortgage](#) and put it on any lot zoned for single-family construction. A manufactured home is built to standards set by the U.S. Department of Housing and Urban Development, and the loan for one is similar to an auto or boat loan. While those homes have improved in recent years, they are not built to local building codes and can only be used in areas zoned for manufactured homes.

When you buy a modular home, you not only need to supply the land, you also need to [find a builder](#) to assemble the prefabricated elements on your site, plus hire plumbers, electricians and other tradespeople to do finishing and utility connections and meet whatever zoning and building code requirements are set by your municipality.

“It’s basically the same (building) process but in an environmentally controlled environment,” Hallahan says. “It really hasn’t been a quantum leap forward. It hasn’t really been able to break the cost-effectiveness barrier nationally.”

Modular construction is most popular in New England, where weather is harsh and labor costs are high. “Prefab is a great alternative. They can work 12 months a year. They can work through bad weather and in a more comfortable environment,” Koones says. Flaherty estimates that building a modular home in New England is 10 percent to 15 percent cheaper than building a traditional home on-site.

A number of modular homes were built in New York and New Jersey to replace homes destroyed after Hurricane Sandy in 2012, and Flaherty estimates those homes cost 20 percent less than site-built ones, plus they could be constructed more quickly.

While the modular homes receiving the most attention online and in magazines are often modern designs, modular homes come in all styles. They are growing in popularity on urban infill lots, single lots in established city neighborhoods, where they can match the style of existing homes, and also in rural areas, where it is harder to find skilled labor for a stick-built home.

“Up until about five years ago, the industry was not offering enough design flexibility to the consumer,” Flaherty says. “Consumers today are so much more savvy and interested in good design.”

Proponents of modular construction see opportunities ahead. Many skilled laborers were lost during the recession, which may make factory-built homes more popular with builders. Modular homes also benefit from an emphasis on energy efficiency. And the ease of [adding custom elements](#) such as bay windows and additional rooms appeals to consumers.

“Now we’re finding markets where we weren’t as competitive in the past, we’re becoming more competitive,” Flaherty says. “I think we’re at a juncture where we’re going to see a significant shift.”

Tags: real estate, housing, housing market, money



Teresa Mears CONTRIBUTOR

Teresa Mears writes about personal finance, real estate and retirement for U.S. News and other publications. She was previously the real estate blogger for MSN Money and worked as the Home & Design editor for The Miami Herald. During her journalism career, she worked on coverage of immigration, religion, national and international news and local news, serving on the staffs of The Miami Herald, The Los Angeles Times and the St. Petersburg Times. She has also been a contributor for The New York Times and The Boston Globe, among other publications. She publishes Living on the Cheap and Miami on the Cheap. Follow her on Twitter [@TeresaMears](#).

Mod Squad

Harold D. Hunt
August 26, 2015

Publication 2109



What exactly is a modular home?
“It’s just a house,” says Larry Wilkinson, a consultant working with Oak Creek Homes, one of several modular home manufacturers in Texas. “They are largely self-contained units built in a factory and assembled at the home site.”

Modular homes use the same framing systems and material applications as site-built homes.

It’s Not Manufactured Housing

Modular homes are not the same as “manufactured housing,” which is constructed according to the 1976 Federal HUD (Department of Housing and Urban Development) code. In Texas, residential modular homes are built to the same building codes as site-built homes. This means they may be seen in a city’s traditional residential neighborhoods as well as rural areas.

According to the Texas Department of Licensing and Regulation, a municipality must accept modular housing constructed under the Texas Industrialized Housing and Buildings (IHB) program.

“If an area is zoned single-family residential, then the municipality must accept an IHB-qualified single-family residential building into that area. However, any deed restrictions filed of record affecting modular housing must be abided by,” says Wilkinson.

The Takeaway

Modular housing is not the same as manufactured housing. These homes are built to the same code as site-built homes in the area. Modular homes are an emerging market segment that may help mitigate weather and labor issues during new home construction.

Under Chapter 1202 of the State Occupations Code, a municipality may not require or enforce any amendments to the mandatory state codes for “industrialized housing” (the state’s terminology for modular housing) as a prerequisite for granting construction permits or certificates of occupancy.

In coastal counties, modular homes must also meet the Texas windstorm construction requirements if buyers want to qualify for Texas Department of Insurance windstorm coverage. Depending on location, a qualified home’s wind rating will fall between 90 and 140 miles per hour.

Comparable in Value

Modular homes are always classified as real property. This means comparables for appraisal purposes must be other similar site-built or modular homes.

The law does grant municipalities authority to adopt state-permitted ordinances affecting modular homes. For example, a city may adopt an ordinance requiring single-family modular housing to have a value equal to or greater than the median taxable value for each single-family dwelling located within 500 feet of the proposed modular home installation site. This is known as the “500-foot rule.”

“Under the rule, an audit of homes within 500 feet of the proposed site is conducted,” says Wilkinson. “The modular home should complement existing homes with similar construction elements, such as size, roof pitch, exterior siding and window style.”

A check of six modular single-family homes located within the City of Austin and built between 2003 and 2008 revealed that their values were similar to nearby site-built homes. According to Travis County central appraisal district data, the modular homes ranged from \$146,000 to \$732,000 in appraised value (\$108 to \$375 per square foot) and 1,330 to 2,430 square feet in size.

Inspection Process

Modular homes are subject to a stringent inspection process, both in the manufacturing facility and in the field.

“In the facilities where the modules are constructed, manufacturers will have both their own quality control inspectors and outside third-party inspectors,” says Martin Montgomery, P.E., principal engineer/owner of RCS Enterprises LP.

Before a modular home is built, a third-party engineering company performs a design review and must approve modular home plans sent by the manufacturer to state IHB officials in Austin for final approval. Any steps, decks, porches or attached garages must be designed and approved by a professional engineer.

“Foundations for modular homes have to be designed and approved by a professional engineer,” says Montgomery. “The amount of engineering and inspection that goes into modular housing is extensive, and that’s a good thing for homebuyers.”

The party inspecting the homes in the field will vary.

“Out in the county, department-approved, code-knowledgeable, third-party code inspectors will carry out at least three inspections at the home site,” says Wilkinson. “Within municipalities and their extraterritorial jurisdictions, they will be conducted by city inspectors.”

“There will first be a pre-pour inspection of the foundation,” says Montgomery. “Next comes an inspection after the modules have been field installed and set on the foundation. Last will be a final inspection where everything is looked at.”

Another layer of protection comes from the licensing of various parties involved in the process. Modular builders must be licensed by the state as “industrialized builders” while manufacturers must be licensed as “industrialized housing manufacturers.”

A full list of industrialized builders and manufacturers can be found at <https://www.tdlr.texas.gov/ihb/ihblists.htm>

Plumbing, electrical, HVAC and other specialty subcontractors must be licensed by their various state regulatory entities.

Labor Shortages Favor Modular

Modular home sales in Texas have historically been quite limited, averaging about 700 units annually since 2011 according to DJ Pendleton, executive director of the Texas Manufactured Housing Association. However, with the recent shortage in skilled labor available to Texas residential builders, modular housing may become a more viable alternative to site-built housing than it has been.

Montgomery has seen an ebb and flow of interest in modular from site-built homebuilders over the years.

“Modular housing works well in areas where labor is tight,” says Montgomery. “Areas that have experienced heavy oilfield activity such as Midland would be a good example in Texas. The tighter the labor, the better modular works.”

“Just finding a homebuilder in some rural areas of Texas can be a challenge as well,” says Keith Alexander, division president and general manager of Palm Harbor’s Austin manufacturing plant. “Many homebuilders have no interest in building in rural areas.”

A recent builder survey by the National Association of Home Builders (NAHB) noted “shortages of labor and subcontractors have become substantially more widespread since 2013.”

In the NAHB survey, 65 percent of builders revealed they paid higher wages/subcontractor bids, 62 percent admitted labor shortages had raised their home prices, and 60 percent said labor shortages had created difficulty in completing projects on time.

Other Advantages

“The ability to construct housing without delays in a climate-controlled environment, especially during winter months, is a huge plus for modular,” says Cal Davis, homebuilding PR and communications specialist for Clayton Homes, another Texas manufacturer of modular housing. Materials are less exposed to the elements in factory construction applications.

“Ask any homebuilder who is frustrated with subcontractors or whose timetable is severely thrown off by weather if they would prefer less delay and less headaches to achieve their same quality result,” says Pendleton.

“Financing entities also like the fact that the time to design, build and assemble a home is significantly reduced,” says Davis. “With modular construction, site preparation and foundation work can carry on at the same time the structure is being built.”

“Another advantage is the ability to ramp up capacity if demand should increase,” says Montgomery. Manufacturing operations use integrated computer systems to efficiently manage and monitor the construction process in real time. This also results in minimal material waste.

The ability to purchase material and appliances in bulk offers volume purchasing power. This keeps the costs competitive with site-built homes, even after module transportation is factored in.

“Direct cost comparisons are difficult, because the level of material options and design customization can vary a lot with both modular and site-built homes,” says Wilkinson.

Finally, the level of neighborhood disruption can be minimized in urban infill applications when modular housing is used. As the structure is not being constructed on-site, the amount of time and personnel on location should be shorter than with site-built homes.

Creative Construction Challenges

One limitation of modular housing is the size of a module that can be transported at a reasonable cost. “We are pretty much limited to modules that are less than 16 feet wide and 76 feet long,” says Wilkinson. “Any larger and transportation costs begin to increase exponentially.”

Height is another consideration. The maximum cost-effective height for highway delivery in most of Texas is 15½ feet. With consumer preferences favoring steeper roof pitches and taller interior walls, creative construction designs have become necessary.

“Manufacturers developed a hinged roof system to handle the problem,” says Wilkinson. “It’s flat while being transported but swings up to the designed pitch when the home is assembled at the site.”

Lower delivery height can also improve site access in some cases.

The typically long, narrow geometry of modules creates another challenge: comparisons to manufactured housing.

“Stigma is probably one of the biggest hurdles modular housing has to overcome,” says Jayar Daily, vice president of operations for American Homestar Corporation (Oak Creek Homes).

“The perception has been that modular is somehow inferior to site-built housing,” says Davis. “I know that’s not true. But it’s our job to properly educate the public about the benefits of modern modular housing.”

“Many builders and financial institutions are often unfamiliar with the state’s industrialized housing program as well,” adds Alexander.

One factor that can affect this perception is the choice of “off-frame” or “on-frame” modular construction. As a rule, the homeowner chooses one of the two systems. However, some private lenders mandate the use of off-frame construction. Government financing entities such as FHA and VA to date have no preference.

In on-frame construction, the module is built on two steel beams used to transport it to the site just like manufactured housing. The steel beams are then integrated into the foundation system.

Off-frame modules are designed around a traditional concrete or wooden pier and beam foundation system. The modules are transported to the site on factory-built chassis transports and then lifted into place with cranes.

“On-frame would be my preferred system,” says Montgomery. “The steel beams offer extra structural support, and it’s probably at least \$5,000 less expensive than off-frame construction. The finished homes can be made to look the same using either system.”

Problems generally arise when city inspectors see a modular unit coming in on wheels and the frame not leaving. “They think you are delivering a manufactured home, not modular,” says Montgomery.

City officials have been known to block installation until legal wrangling clears up the fact that it’s modular construction. All modular homes will have a dataplate identifying it as modular construction and noting the specific building codes it was constructed to. Montgomery concedes that modular homes headed for suburban or urban infill applications are probably better off using off-frame construction to avoid conflicts with local officials.

Future of Modular

The design flexibility in modern modular floor plans continues to improve with the increased use of computer-aided design software. The hope is that potential modular homebuyers will find greater aesthetic appeal in designs that are increasingly moving toward more open floor plans and away from a basic box configuration.

One interesting new modular product on the horizon is a hybrid prototype called Home Core under development by Oak Creek homes. The kitchen, bathrooms and utility room are constructed as a single modular “core unit,” leaving the remainder of the home to be stick-built around it.

The result is a home where 90 percent of the electrical, plumbing and HVAC work and 100 percent of finished cabinetry work is completed at the factory. The stick-built portion can be completed at the site with only a framing and finish installation contractor.

The factory unit will include the HVAC ductwork, furnace and closet-mounted air handler/blower. The outside condenser unit will be installed by an HVAC contractor at the site.

“Home Core modules we’ve designed are typical examples for a potential builder to consider, but we realize that each builder will have their own ideas for what they might want in their core units,” says Charley Boyer, chief operating officer/vice president of the manufacturing division for Oak Creek Homes.

“We see Home Core units working well with affordably-priced home developments,” says Boyer. “Module sizes of 15' x 36' or less allow two Home Core units to be delivered on one carrier system, reducing freight costs from the factory to the building site.”

“This new hybrid approach to team up with traditional custom site-built homebuilders shows that technology and innovation are not only occurring inside factory walls but beyond to tap into other markets where we can sell our products and produce quality housing options,” says Pendleton. 🍀

Dr. Hunt (hhunt@tamu.edu) is a research economist with the Real Estate Center at Texas A&M University.

 **WAS THIS HELPFUL ?**

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MEMORANDUM

TO: General Services Committee

FROM: Shawn Raborn, City Manager

DATE: June 16, 2017

SUBJECT: Discuss and or Consider Regulation of manufactured housing

The City of La Grange does not currently regulate the placement of manufactured homes within the community. Staff will review with the committee the development of a special use permit process to regulate the placement of a manufactured home outside of a licensed mobile home park. I have included for your review a draft of the special use permit process.

Attachment:

1. Current Manufactured Home Regulations
2. Map of Current locations of Manufactured Homes within the community
3. Special Use Permit Process

- (4) Require within zones AH or AO adequate drainage paths around structures on slopes, to guide floodwaters around and away from proposed structures.

Sec. 3.12.075 Penalties for noncompliance

No structure or land shall hereafter be constructed, located, extended, converted, or altered without full compliance with the terms of this article and other applicable regulations. Violation of the provisions of this article by failure to comply with any of its requirements, including violations of conditions and safeguards established in connection with conditions, shall constitute a misdemeanor. Any person who violates this article or fails to comply with any of its requirements shall, upon conviction thereof, be fined not more than \$200.00 for each violation, and in addition shall pay all costs and expenses involved in the case. Nothing herein contained shall prevent the city from taking such other lawful action as is necessary to prevent or remedy any violation.

(Ordinance 06-11, sec. 2, adopted 10/9/06)

**ARTICLE 3.13 MOBILE HOMES, MOBILE HOME PARKS AND RECREATIONAL
VEHICLE PARKS**

Division 1. Generally

Sec. 3.13.001 Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Dependent mobile home. A mobile home without inside toilets and bath, which are prohibited in a mobile home park as defined in this article.

Doublewide mobile home. A mobile home as defined in this section, except that the width of a doublewide mobile home is at least twenty-four (24) feet.

Hard-surface road. An asphalt or concrete road.

(1987 Code, sec. 13-1)

HUD-code manufactured home.

- (1) Means a structure:

La Grange Code of Ordinances

- (A) Constructed on or after June 15, 1976, according to the rules of the United States Department of Housing and Urban Development;
 - (B) Built on a permanent chassis;
 - (C) Designed for use as a dwelling with or without a permanent foundation when the structure is connected to the required utilities;
 - (D) Transportable in one or more sections; and
 - (E) In the traveling mode, at least eight body feet in width or at least 40 body feet in length or, when erected on site, at least 320 square feet;
- (2) Includes the plumbing, heating, air conditioning, and electrical systems of the home; and
- (3) Does not include a recreational vehicle as defined by 24 C.F.R. section 3282.8(g).

A HUD-code manufactured home is not a mobile home for any purpose under state law.

(Ordinance adopting Code)

Licensee. Any person licensed to operate and maintain a mobile home park under the provisions of this article.

Manufactured home or manufactured housing. A HUD-code manufactured home or a mobile home.

Mobile home.

- (1) Means a structure:
- (A) Constructed before June 15, 1976;
 - (B) Built on a permanent chassis;
 - (C) Designed for use as a dwelling with or without a permanent foundation when the structure is connected to the required utilities;
 - (D) Transportable in one or more sections; and

- (E) In the traveling mode, at least eight body feet in width or at least 40 body feet in length or, when erected on site, at least 320 square feet; and
- (2) Includes the plumbing, heating, air conditioning, and electrical systems of the home.

A mobile home is not a HUD-code manufactured home for any purpose under state law.

(Ordinance adopting Code)

Mobile home park. Any plot of ground upon which two (2) or more mobile homes or travel trailers occupied for dwelling or sleeping purposes for any length of time are located, regardless of whether or not a charge is made for such accommodation.

Mobile home space. A plot of ground within a mobile home or travel trailer park designed for the accommodation of one (1) mobile home or travel trailer.

Modular home. A structure, transportable in two (2) or more sections, when each section is eight (8) body feet or more in width and is thirty-two (32) body feet or more in length, and which is built on a permanent chassis, and is designed to be used as a dwelling with or without permanent foundation when connected to the required utilities and includes plumbing, heating, air conditioning and electrical systems contained therein.

Motor home. A recreational motorized vehicle that is designed to travel under its own power without the need for any additional outside source to push, pull or tow the motor home. The motor home is designed to have fixed wheels and axles connected to the frame of the motor home.

Park. A mobile home or travel trailer park.

Permittee. Any person to whom a temporary permit is issued to maintain or operate a mobile home or travel trailer park under the provisions of this article.

Travel trailer. A structure, having no foundation other than a permanent chassis with wheels, which is twelve (12) body feet or less in width, and is less than forty (40) body feet in length, and is designed to be used as a dwelling with or without permanent foundation when connected to the required utilities, and includes plumbing, heating, air conditioning and electrical systems contained therein.

(1987 Code, sec. 13-1)

Sec. 3.13.002 Mobile homes or manufactured homes outside licensed parks

Mobile homes or manufactured homes outside licensed parks shall conform to the following requirements:

- (1) It shall be unlawful and a violation of this section for any person to place, lease, use for a commercial or residential purpose or store for any purpose a mobile home, dependent mobile home or doublewide mobile home or manufactured home in any location within the city limits other than in a licensed and lawful mobile home park, except as provided below.
- (2) It shall be legal for an individual to utilize a doublewide mobile home or manufactured home as a residence within the city as long as that person has previously obtained the permit from the city in accordance with subsection (3) of this section and all other applicable zoning and building ordinances of the city.
- (3) Persons desiring to place a doublewide mobile home or manufactured home for occupancy on a private lot, whether the lot is vacant or whether the lot has improvements thereon, shall first secure a permit from the city by filing a written application for such permit with the city building inspector, giving the name and address of the applicant, the size of the doublewide mobile home or manufactured home, and a description of the property upon which the doublewide mobile home is to be located. The doublewide mobile homes or manufactured homes used for residential purposes shall comply with the same building and zoning codes as any other residential building being constructed. In addition, a doublewide mobile home or manufactured home shall be permanently attached to the ground upon which it rests. The doublewide mobile home or manufactured home's axles and wheels shall be removed. Permanent utilities shall be connected and the doublewide mobile home or manufactured home shall be completely skirted.
- (4) It shall otherwise be unlawful for any person to maintain or allow to be maintained, on any premises owned by him or under his control, within the corporate limits, any mobile home or manufactured home for occupancy, storage or as a commercial business, upon the tract on which it rests.
- (5) If on March 25, 1985, there is in existence a mobile home, dependent mobile home or manufactured home which is being used for dwelling or sleeping purposes that is not located in a licensed mobile home park or there is a mobile home, dependent mobile home or manufactured home being used for commercial purposes, then such use of the mobile home, dependent mobile home or manufactured home may continue; however, if such nonconforming use of a mobile home, dependent mobile home or

manufactured home is discontinued for a period of thirty (30) days, the use and location of the same shall thereafter conform to the provisions of this article unless otherwise approved by the city council.

- (6) A nonconforming use if changed to a conforming use may not thereafter be changed back to the nonconforming use.
- (7) It shall be unlawful for any person to keep a mobile home, dependent mobile home, doublewide mobile home, or manufactured home in the city other than in a mobile home park, which is being stored and not used as a residence or a commercial business.
- (8) It shall be legal for an individual to store a motor home or manufactured home within the city as long as the motor home or manufactured home is not used for any other purpose except storage, and the placement of the motor home or manufactured home on a lot in the city must be in compliance with section 13 of the zoning code of the city.
- (9) It shall be legal to place a mobile home or manufactured home on any private lot, whether the lot is vacant or has improvements thereon, outside a licensed mobile home park, provided that:

(1987 Code, sec. 13-2; Ordinance adopting Code)

- (A) Such mobile home or manufactured home utilized solely in conjunction with commercial air ambulance services or operations or governmental emergency medical services or operations; and (Ordinance 09-02 adopted 3/23/09)
- (B) The person desiring to place such mobile home or manufactured home shall first secure all applicable permits and follow all other applicable sections of this article and all other applicable ordinances. (1987 Code, sec. 13-2; Ordinance adopting Code)

Sec. 3.13.003 Modular homes

It shall be permissible to place for occupancy on any private lot, whether the lot is vacant or whether the lot has improvements thereon, a modular home, provided that the person desiring to place the modular home shall first secure all applicable permits and follow all other applicable sections in this article and all other applicable ordinances. A modular home shall be treated as, and with the same regard as, a conventionally constructed residence. (1987 Code, sec. 13-3)

Sec. 3.13.004 Tiedown standards adopted

Any mobile home, manufactured home, or modular home within the corporate limits shall conform to the tiedown standards as contained in the International Building Code, which are hereby adopted as if copied in full in this section, with the exception that H-3 in appendix H of the International Building Code is hereby deleted, and the definition of a mobile home as contained in this article is thereby substituted. Travel trailers located in a licensed park are not required to be tied down but shall conform to applicable provisions of the International Building Code. (1987 Code, sec. 13-4; Ordinance adopting Code)

Sec. 3.13.005 Mobile home address numbering

Each mobile home or manufactured home within the jurisdiction of the city shall have a conspicuously displayed address number which contrasts in color to the background of the portion of the mobile home where it is displayed. The address numbers shall be placed on the side of the mobile home or manufactured home which faces the street. The size of each address number is to be at least four (4) inches in height and no less than two (2) inches in width. The address numbers shall be visible from the street. (1987 Code, sec. 13-5; Ordinance adopting Code)

Secs. 3.13.006–3.13.030 Reserved

Division 2. Mobile Home and Manufactured Home Parks

Part I. In General

Sec. 3.13.031 Location; screening

Mobile home parks may be located in an area zoned for such use; any other area location will require a special use permit. Where any boundary of a park directly abuts property which is improved with a permanent residential building located within twenty-five (25) feet of such boundary, or directly abuts unimproved property which may under existing laws and regulations be used for permanent residential construction, a fence, wall or hedge shall be provided along such boundary. (1987 Code, sec. 13-16)

Sec. 3.13.032 General requirements

The mobile home park shall conform to the following requirements:

- (1) The park shall be located on a well-drained site, properly graded to ensure rapid drainage and free from stagnant pools of water.

Specific Use Permits

- A. Purpose. This Section provides the City Council the opportunity to grant, deny or conditionally approve specific use permits for non-residential manufactured homes or HUD-code manufactured homes within the City. Because of the nature of the use and the possible adverse impact on neighboring properties of the use, review, evaluation and exercise of planning judgment relative to the location and site plan of the proposed use are required.
- B. Procedure. The City Council, after a public hearing and proper notice to all parties affected, and recommendations from the Board of Adjustments may authorize the issuance of a specific use permit for a HUD-code manufactured home pursuant to the procedures in this subsection.
- C. Application. Application for a specific use permit to locate a HUD-code manufactured home within any area other than those designated in the Article 3.13 shall be made to the City Council on forms provided by the City.
- D. Use Permit Application Fee. The application shall be accompanied by a non-refundable fee of \$50.00 (Fifty Dollars).
- E. Hearing Date. The application and all required documents shall be submitted to the City Secretary for review. A Board of Adjustment hearing date shall not be set until the application and fee have been accepted by the City. Hearing will be scheduled in accordance with established procedures.
- F. Notification and Hearing. A public hearing shall be held by the City Council prior to the issuance of any specific use permit. The notification and public hearing process for specific use permits under this subsection shall be as follows:
 - 1. A written notice of the application shall be sent by U. S. Mail to the last known owner or occupant of each property within two hundred feet (200') of the tract or parcel of land for which the specific use permit is requested;
 - 2. Such written notice shall be mailed at least fifteen (15) days prior to the date of a public hearing to be held with respect to the application; and
 - 3. The public hearing notice shall be published in the official newspaper giving notice of the application and the public hearing to be held with respect to such application.
- G. In recommending that a Special Use Permit for the premises under consideration be granted, the City shall determine that such uses are harmonious and adaptable to building structures and uses of abutting property and other property in the vicinity of the premises under consideration, and shall make recommendations as to requirements for drainage, adequate off-street parking,

screening and open space, heights of structures, and compatibility of buildings. In approving a requested SUP, the Board of Adjustment and City Council may consider the following:

- 1) The use is harmonious and compatible with surrounding existing uses or proposed uses;
 - 2) The specific use permit will be compatible with, and not injurious to, the use and enjoyment of the property, or neighboring properties, nor materially diminish or impair property values within the immediate vicinity;
 - 3) The establishment of the specific use will not impede the normal and orderly development and improvement of surrounding vacant property;
 - 4) Adequate utilities, access roads, drainage, parking and driveways and other necessary support facilities have been or will be provided;
 - 5) The applicant shall establish that the use and occupancy will comply with all applicable terms of this ordinance;
 - 6) Any negative impact on the surrounding area has been mitigated;
 - 7) That any additional conditions specified ensure that the intent of the district purposes is being upheld.
- H. In granting a Special Use Permit, the Board of Adjustment and City Council may impose conditions which shall be complied with by the owner or grantee before a Certificate of Occupancy may be issued by the Building Official for use of the building on such property pursuant to such Special Use Permit and such conditions precedent to the granting of the Certificate of Occupancy. Any special conditions shall be set forth in writing by the City Council prior to issuance of the Certificate of Occupancy.
- I. No Special Use Permit shall be granted unless the applicant, owner and grantee of the Special Use Permit shall be willing to accept and agree to be bound by and comply with the written requirements of the Special Use Permit, as attached to the site plan drawing (or drawings) and reviewed by the Board of Adjustment and approved by the City Council. The City Council finds that it is not in conflict with the public interest to grant such permit.

