

Revitalizing Mobile Home Parks in Montrose

Presented by Rich Dana and Ann Morgenthaler



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Rich Dana
**San Juan, Green Acres &
Cottonwood Mobile
Home Parks**
Montrose

Rich Dana, raised in Colorado, has worked in the real estate industry for over 30 years. He holds a degree in finance from Chapman University (Orange, California). Rich is the co-owner and managing broker of Live West Realty in Boulder, Colorado. He has also acted as a principal and managing partner in multiple real estate development projects and investment holding companies.

Ann Morgenthaler
Deputy City Manager
City of Montrose

Ann was born, raised, and educated in Colorado. She attended Colorado College where she received a Bachelor of Arts degree in political science with a minor in art history and obtained a Master of Public Administration degree from the University of Colorado at Denver. Ann has served in Montrose, Colorado since 2018.

Poll – Who are you?



Please tell us your role and where you are from

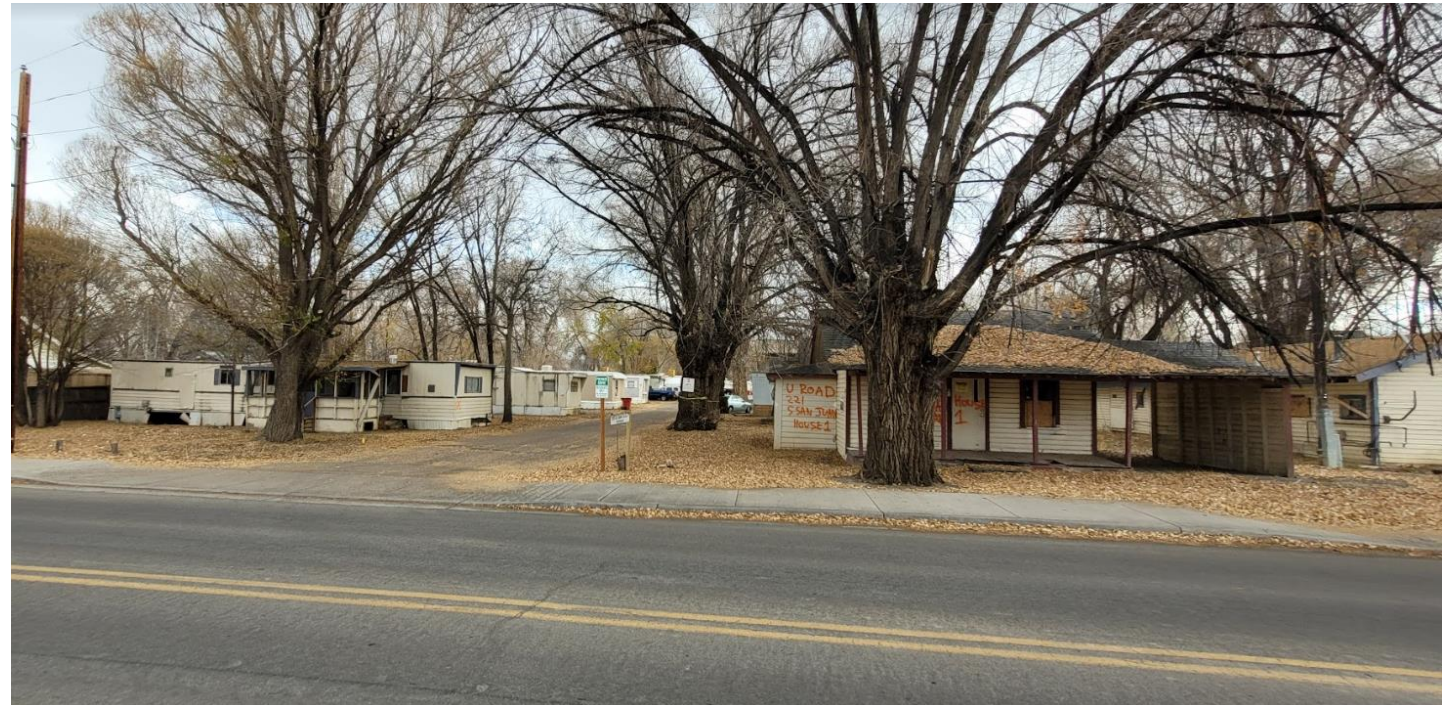


Example:

Deputy CM, Montrose

This is a story about...

- Three mobile home parks in Montrose, Colorado
- Two perspectives on the parks
- One collaboration to improve existing housing & create new housing



This story matters because...

- Example of how something went from bad to much better
- May give you ideas to try
- Provides a starting point for conversations about this challenging topic



Three Mobile Home Parks in Montrose

In 2020...

All three MHP's were owned by same entity

- **200** pads near downtown
- **113** occupied mobile homes at time of purchase
- **63** vacant & abandoned mobile homes beyond rehabilitation
- **25** vacant pads
- MHP landlord owned **42** vacant units



Condition of the Parks in 2020

1. Failing Water Services: The original galvanized piping is corroded, rusted and failing. There is limited to no water available when multiple residents are using water simultaneously.

2. Failing Sewer Services: The original Orangeburg piping is failing and far beyond its useful life. Failures occur on a regular basis, leaving residents without sewer services until substantial repairs can be completed. Sewage has been discovered pooling on the surface at times.

3. Failing Road Surface: The asphalt is failing and beyond its useful life. Numerous potholes, water pooling, cracks and trip hazards exists through the parks.



4. Poor Emergency Access:

The parks have poor street configurations with limited travel routes and no designated parking – residents park haphazardly, preventing emergency vehicles from traveling through streets.



5. No Fire Hydrants:

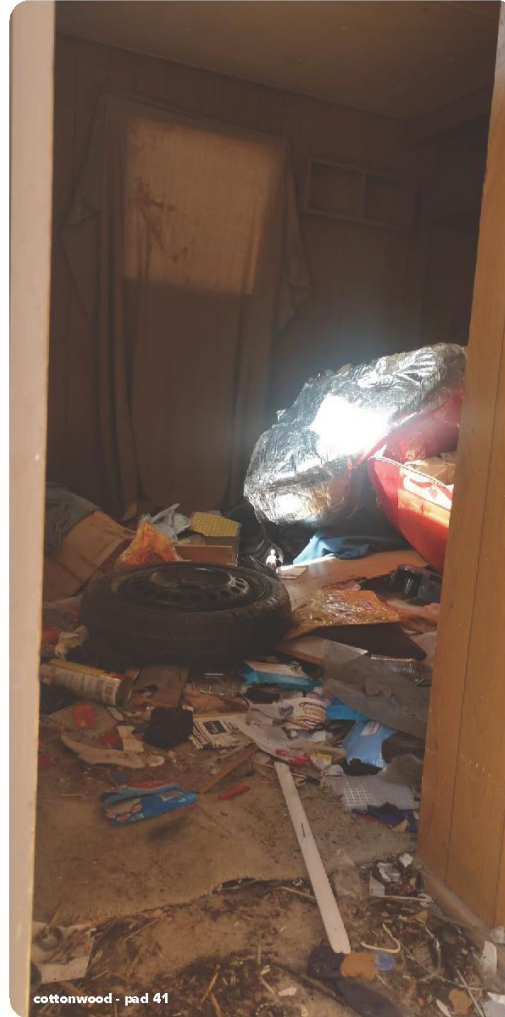
No hydrants current exist in the parks.

6. No Overhead Lighting:

No street lights current exist in the parks.

7. 58 Abandoned Trailers, Houses and Apartments:

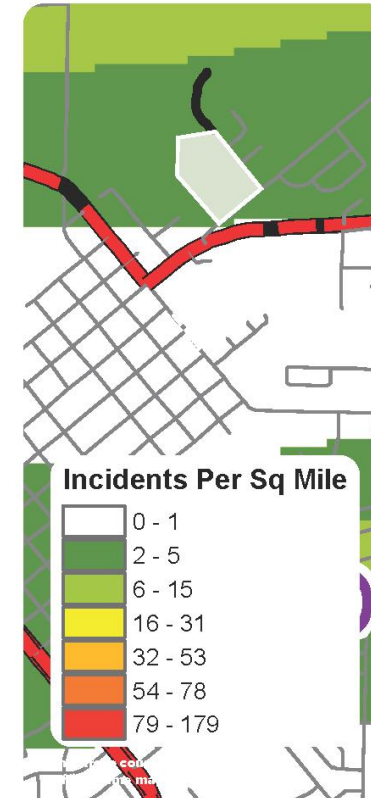
Most in substantial states of disrepair and need to be removed from the parks (or in a few circumstances, possibly rehabilitated). 47 abandoned trailers, 2 small single-family homes and 9 apartments.



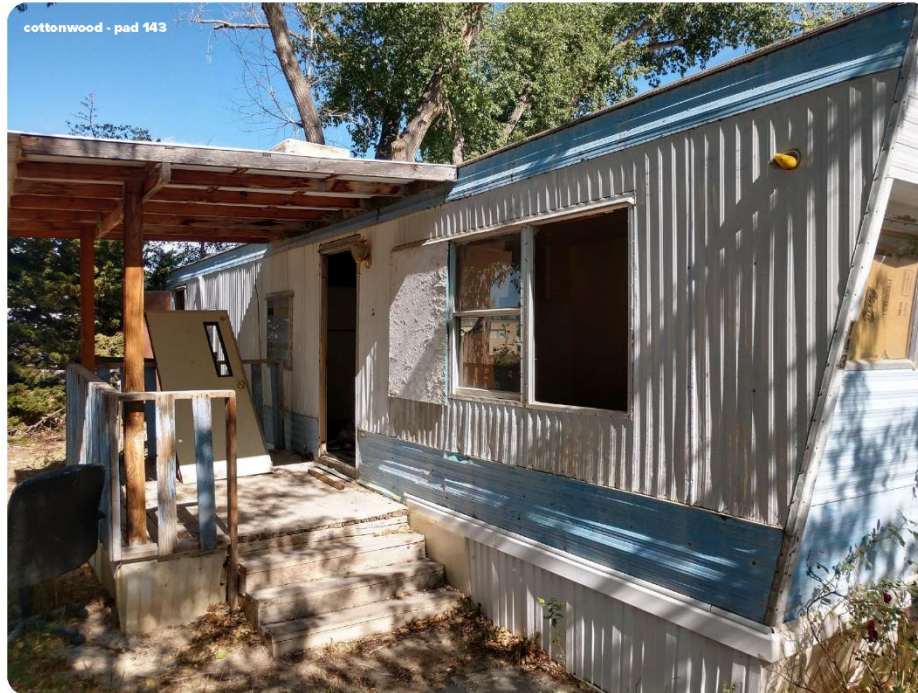
8. Hazardous Building Materials:

Hazardous building materials: Hazardous building materials such as asbestos are present in some units and must be removed and disposed of properly.

9. Crime: Primarily individuals squatting in abandoned units, although more serious crimes have occurred in these parks.



10. Blighted:



11. Graffiti:



12. Trash Piles:



13. Abandoned and Non-Functioning Vehicles:



Poll – Do you have mobile home parks in your community in this condition?

City's Approach to the Parks

- City struggled to enforce nuisance violations
- Prior MHP owner retaliated against tenants
- Prior owner and potential buyers took advantage of condition of parks
- Viewed the vast needed infrastructure improvements as a likely lost cause
- City relied on strict Land Use Code as a tool to prevent further strain on parks
- Parks met an otherwise unavailable housing need
- Not in the community's best interest for parks to remain as they were



Rich's Interest in the Parks

- Housing - High demand type
- Investment Type
 - Relatively predictable & reliable return
 - Stable income for investors
 - Potential for "value add" project
 - Additional value and cash flow by adding new rental units
- Rewarding to be a part of and build a better community
- A safe and clean place to live for 93% of the existing residents to remain
- Reduction in emergency service needs for the city & much needed affordable housing inventory for community



Common Values

Retaining occupied housing

Met an otherwise unavailable need

Occupied and in-demand

Long term livability & safety improvements

Better the quality of life of residents and ensure long term compliance

Increase rents, safety, value, and desirability of the property

Creating new rental housing units

New relatively affordable rental housing

Additional sustainable rental income

Moved Forward Together

- Staff supported & Council approved variances to multiple land use code provisions
- Agreed extensive improvements be made before new units could be installed
- Agreed on maintenance standards for the future
- Rents stable for existing tenants during construction
- Council approved \$200k contribution towards asbestos removal
- Council approved \$300k towards new water and sewer installation
- Documented everything in a development agreement
- Projected cost = land \$3,050,000 + improvements \$4,649,000 = \$7,800,000
- Final cost = land \$3,050,000 + improvements \$5,863,000 = \$8,900,000

San Juan Pad 49



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Cottonwood Park



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San Juan Pocket Park



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San Juan U Road



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San Juan Entrance



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Next Steps...



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Polling Results

[Link to polling results goes here]



If you would like to do a poll, please send polling questions to Karen Rosen at krosen@cml.org.

Attendees will answer poll through conference app.

CML will insert a link on this slide.

You can refresh the link multiple times to update poll information.

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Thank you for attending!



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Thank You!

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