Haley Ranch Estates Redevelopment, Poway, California

<table>
<thead>
<tr>
<th>Project at a Glance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of project: Redevelopment</td>
</tr>
<tr>
<td>Total Dwelling Units: 65</td>
</tr>
<tr>
<td>Planning Started: 1989</td>
</tr>
<tr>
<td>Construction Began: Early 1991</td>
</tr>
<tr>
<td>First Home Delivered: December, 1991</td>
</tr>
<tr>
<td>First Move-in: Summer 1992</td>
</tr>
<tr>
<td>Unit Size: 1,129 to 1,232 square feet</td>
</tr>
</tbody>
</table>

Manufactured Homes Help City Redevelopment Project

Many American cities face a similar dilemma brought on by a growing population and the need for a vibrant economy: how to balance the supply of affordable housing with the demands of commercial development. A single-family residential development in Poway, California, featuring HUD-code manufactured homes, could serve as a model for other local governments and development companies interested in using redevelopment funds to build affordable housing.

As often happens, some of the most suitable land for new commercial development is occupied by non-conforming uses. In Poway, a trailer park dating from the 1940’s occupied a parcel of land centered in the city’s downtown redevelopment area, and many of its low-income residents lived in sub-standard homes. In order to improve the quality of life for the residence and provide for commercial development, the city worked with local developer Allan Kuebler on a $12 million project to build new homes for the residents of the old park and create a 150,000 square-foot office and retail center known as Creekside Plaza.

The old park was situated on the most valuable portion of the project site fronting on Poway Road, a main business artery. A vacant parcel adjacent to and behind the park had been assembled by an earlier owner, and Poway Creek ran thru the combined parcel. The long-neglected creek was in need of costly reparation and restoration in order to meet environmental standards.

The developer, Poway Land, Inc., purchased the entire parcel from the owner and agreed to develop Haley Ranch Estates to the city's specifications on the rear portion of the property. Under a ten-year lease/purchase option agreement with the developer, the city agreed to maintain all the homes and rent them to income-qualifying families. Plans call for twenty percent of the property tax revenues generated by the Creekside Plaza.
commercial center to be set aside to finance the acquisition and maintenance of Haley Ranch Estates.

Forty-one of the sixty-five homes are occupied by families displaced from the old trailer park. The remainder are rented through an application and lottery process administered by the city’s redevelopment agency. All the families now living in Haley Ranch Estates pay approximately 30 percent of their income as rent.

**Project Description**

From the beginning, city officials wanted an affordable housing development that resembled a single-family suburban tract rather than a typical urban high-density, multi-family project. In fact, multi-family housing was determined to be incompatible with adjacent land uses. "Since this is the city’s first affordable housing development, we know it will be looked at closely," says John Fitch, Poway’s assistant city manager. "Single-family homes are compatible with surrounding neighborhoods from the perspectives of design and density. Manufactured housing was the perfect choice for Poway because it met the community’s standard for affordable housing, and, most importantly, they offer the interior and exterior space suitable for families."

To make sure the city’s standards were met, a development team headed by John Fitch worked with Fleetwood Homes on the house design specifications. Local architect Lou Villaescusa, a member of the team, designed exterior elevations and garage/entry tie-ins compatible with local architectural styles. Several roofing and siding color combinations were selected for variety. Villaescusa also designed the multi-purpose community center and pool.

Several key elements contributed to a successful working relationship between the home manufacturer and the development team, according to Olivia Laird, sales manager for Fleetwood Homes of California, and Steve Hullibarger, Fleetwood’s subdivision consultant. First, a variety of sensible floor plans adaptable to site-built garages and entry features, was necessary for a custom-finished look. Second, the manufacturer was willing to work with the city’s specific quality and design requirements. Third, the manufacturer was able to produce and deliver the required volume of homes to the site within a tightly controlled schedule. Fourth, the manufacturer had expertise in directing the proper installation of the homes in order to achieve the intended finished look.

All the homes in Haley Ranch Estates have three bedrooms, two full baths, and two-car garages. With the exception of two homes, the garages are attached. The homes range in size from 1,129 to 1,232 square feet of living space, plus the 400-square-foot garage area. One handicapped-accessible floorplan was designed for the project.

Homes were shipped from the factory with the following features: gas stove, water heater and forced air furnace; 18-cu.-ft. frost-free refrigerator; dishwasher; garbage disposal; ceiling fan; dual-glazed windows; laundry room with electric washer and gas dryer; upgrade, level plush carpet; vinyl floor covering in kitchen and baths; taped, textured and painted 1/2-inch sheetrock throughout; six-panel steel entry doors; six-panel interior doors; 1.6 gallon low-flush toilets. Exterior siding was hardboard lap. For the roofing, 1000 lb./square clay mission tile was applied on-site. Matching siding and roofing were installed on-site for the garages.

Fleetwood produced the homes in the factory for $26 per square foot, including sales tax and destination charges. On-site additions, including the foundation, garage and porch, utility connections, roofing and landscaping, cost an additional $15.85 per square foot, for a total cost of $41.85 per square foot. "The city has more house for the same cost as site-building a basic FHA house common to most public housing projects," says Laird.
Poway Land, Inc. faced three unique challenges in Haley Ranch Estates. This was the first public-sponsored development project undertaken by the company, which had previously concentrated on privately financed single-family and multi-family developments in the San Diego area. Second, it was their first development using manufactured homes rather than site-built homes, and this required a cooperative manufacturer to help with the learning curve. Finally, the construction schedule had to accommodate the city's program to relocate the residents of the old trailer park.

The city established strict goals for planning and environment within its overall plans for downtown redevelopment. One major goal was the restoration of Poway Creek, which runs through downtown Poway and separates Haley Ranch Estates from the Creekside Plaza commercial center. In addition to the cost of moving trees and wildlife, over 120,000 cubic yards of fill were required to make the residential portion of the property buildable and to complete the restoration of the creek.

Because the developer had no prior experience using manufactured homes in a residential development, the selection of a qualified manufactured home builder was critical to the success of the project. "Since each home was to have a garage and front entry porch, I needed a manufacturer with the experience to help my on-site subcontractors understand how to integrate the factory and on-site construction technologies used to complete these homes." Said Kuebler. The manufacturer also had to be able to accommodate a very strict construction schedule by delivering all 65 homes within a 12-week period. The factory production schedule called for building and delivering 10 homes at a time. Once delivered, all 10 homes were installed on the prepared foundations, by crane, in one day. "Finally," said Kuebler, "the factory had to stay within a construction budget that the city and I had agreed on.

Of the $10 million allocated to the residential development, approximately $3 million was spent on factory and on-site construction for the homes. An additional $2 million was spent on restoration of the stream. The balance was spent on acquisition of the land, land development costs and construction of the community center, and relocation of the residents. The City of Poway, through a redevelopment agency owner-participation agreement, reimbursed the developer for legitimate construction costs, up to $6.5 million. Guardian Bank provided the additional construction funding and take-out financing.

The City of Poway was presented the 1991 "Award of Merit" by the San Diego Chapter of the American Planning Association for the redevelopment plan that includes Haley Ranch Estates and the Creekside Plaza commercial center. The city's relocation plan for the displaced residents of the old trailer park was also cited by APA.

John Fitch says the city is proud of its redevelopment project, and he is optimistic about the role of manufactured homes in meeting the affordable housing needs of other cities. "Poway is very proud of Haley Ranch Estates. It's a good model for other cities to follow."

**Lessons Learned**

Manufactured homes can play a significant role in lowering the costs of residential development projects when the development team and the manufacturer both have a clear understanding of what the finished product should be and how to maximize the benefits of building homes off-site. Fleetwood's Laird and Hullibarger agree that Haley Ranch Estates represents the kind of
development where manufactured housing can excel. "Poway took advantage of every benefit the factory building system had to offer," said Hullibarger. "The developer used the factory to produce the major systems — electrical, plumbing, walls, floors, cabinets, and forced air heating. Then, he took a relatively unadorned house from the factory and made the appropriate on-site changes to add character and architectural interest." The role of the factory goes beyond building the home. It extends to helping the developer understand the language of manufactured housing and assembling a local network of competent subcontractors and factory-service technicians to complete the installation of the home within the time and budget constraints of the developer.

There is also a valuable lesson here for the manufactured home builder. Building homes for a redevelopment project is somewhat different from other residential projects in that all the homes for the project are usually built and delivered in a short period of time. From the manufacturing perspective, there is very little margin for error and only a small window of opportunity to correct misunderstandings due to poor communication between the development team and the manufacturer. The old carpenter's rule "Measure twice, cut once" comes to mind. An open and active line of communication will contribute to more successful developments such as Haley Ranch Estates.
The old trailer park originally occupied the parcel of property fronting on Poway Road. Over 120,000 cubic yards of fill were required to make the rear portion buildable, and extensive restoration work was done to make Poway Creek comply with new environmental standards. An older single-family neighborhood lies on the opposite side of Christmas Lane from Waley Ranch Estates.
Garage/Entry tie-ins

These CAD drawings demonstrate how on-site additions help a new home blend into an existing neighborhood. (Right) Factory modules arrive at a prepared foundation site. Exterior materials can range from stucco to lap or vertical wood siding. (Below) A garage and entry porch are attached to the home after the modules are installed on the foundation. (Below right) Roofing materials suitable to the neighborhood can be installed either on site or in the factory, depending on the material chosen. Generous landscaping will help create strong market performance. (Drawings courtesy of California Manufactured Housing Institute, The Resource, Winter 1989)
Floor Plans