

A Comparison of Public Utility and Governmental Rates and Services Provided Mobile Home Park Residents and Other Residents: A Case Study of Tippecanoe County, Indiana

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Abstract

This study involved a determination of whether services and rates received by mobile home park residents differed from those received by other residents of the county. Differences between these two classes of residents in public utility rates and services were not found in the study area. With the exception of fire protection, mobile home park residents receive governmental services comparable to those received by other residents of the area. The principal variation in rates and services are those between locations inside and outside the municipal boundaries rather than those between residents of mobile home parks and other residents.

Introduction

Mobile homes now account for about 94% of all housing units sold in the U. S. for under \$15,000 and for 2/3 of all housing units costing less than \$25,000. The mobile home business is one of the fastest growing industries in the country today. Because of this growth the number of mobile home parks has increased at a rapid rate.

A literature search revealed no prior investigations comparing quality and costs of public utilities and government services received by mobile home park residents with those received by other residents. Tippecanoe County, Indiana, situated in the west-central part of the state, was selected for such study.

In 1970 a total of 109,378 persons resided in Tippecanoe County, according to the *United States Census of Population*. This was an increase of 20,256 persons over the 1960 census figures. Lafayette, located in the north-central part of the county, is approximately 60 miles northwest of Indianapolis and 120 miles southeast of Chicago. Lafayette had 44,955 persons while West Lafayette contained 19,157 persons, in 1970. Purdue University, with about 25,000 students on the home campus is located at Lafayette. A large number of the university students reside in mobile homes. The size and growth of the population, the presence of Purdue University, and the locational advantages for industrial development, along with the number of mobile home parks, were the reasons for selecting Tippecanoe County, Indiana, for the study. The purpose of the study was to determine whether or not the residents of mobile home parks were subjected to differences in governmental services and public utility rates from the rates and services received by other residents of the study area.

Method

The data were obtained by holding personal interviews with the proprietors and/or managers of the mobile home parks and with the

public utility companies and municipal departments which supply services to the area.

The public utilities were the Public Service Company of Indiana; Tipmont Rural Electric Membership Corporation; General Telephone Company of Indiana; Indiana Gas Company, Incorporated; The City of Lafayette Water Works and Sewage Treatment Department; The West Lafayette Water Company; The City of West Lafayette Sewage Treatment Department; and the Greater Lafayette T.V. Cable Service.

Governmental services included the following: maintenance of streets, curbs, and street lights, police protection, fire protection, and mail delivery.

Findings

It was found that a difference in rates for electrical service exists in Tippecanoe County only in that Public Service, Indiana, Incorporated, has two rate schedules, one for the urban areas and another for rural areas. No rate differentiation is made between mobile home park residents and other residents in the same rate schedule area.

Electrical service is made available to the mobile home park as freely as to any other residential development in the county. Public Service Indiana has encountered no major problems other than that of congestion of lines with the other public utilities during the period of construction.

Indiana Gas Company, Incorporated, sets no rate differences among its various types of customers. One distinction is made in that mobile home park residents are placed in the same class as customers who rent, buy on contract, or live in an apartment. All of these residents are required to pay an \$18.00 deposit before the gas company will provide service to the unit.

Gas service is made available to any developer who wishes to make a deposit equal to the cost of construction in case the gas company does not feel it is economically sound for it to pay the initial cost. The Indiana Gas Company does not face any major problems in bringing service to the mobile home park resident other than that faced by other utilities, the congestion of lines during the construction period.

A comparison of rates for water service in the mobile home parks with other residents of the county revealed no difference between the two; however, service was not as freely available to the mobile home parks, primarily because it is not economically sound for the mobile home park developer to pay for the construction of water lines when he can drill his own well at a much lower cost. When service is extended beyond the city limits of Lafayette the Board of Works decides who will absorb the cost of construction for the water and sewage lines. In West Lafayette the water company will not provide service to a mobile home park unless the developer makes a deposit equal to the cost of construction which is estimated by the West Lafayette Water Company prior to the construction. It should be noted that the majority

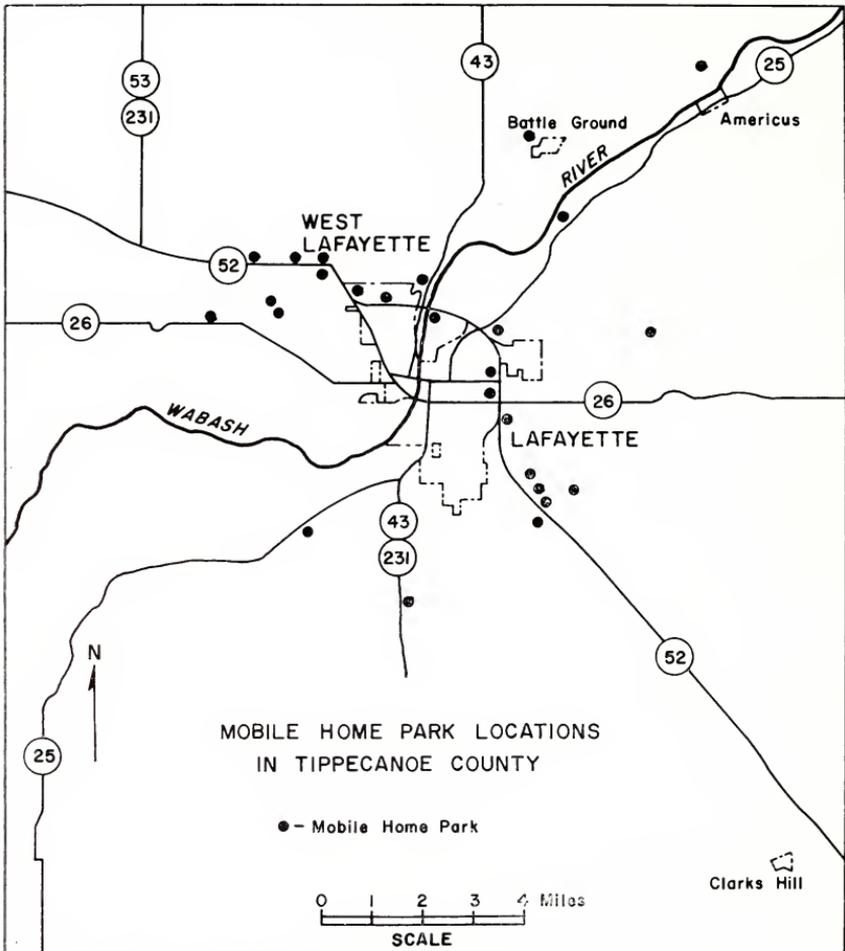


FIGURE 1. *Mobile home park locations in Tippecanoe County, Indiana*

of the mobile home parks are located just outside the municipal boundaries (Fig. 1).

A developer may construct his own sewage lines and connect them to the city's lines without having city water service if he is able to obtain a permit by the city. However, it is more economical for the developer to install septic tanks than to pay the cost of construction of city sewage lines. No park in the study had city sewage without city water service.

General Telephone Company of Indiana assigns its rates by zones with Lafayette as the base area. No distinction is made between mobile home park residents and other residents. A mobile home park resident will, as will any other resident, pay a rate dependent on the zone within which he is located.

Telephone service is available to all of the mobile home parks included in the study. The major problem faced by General Telephone is the strain placed on the central office as service is extended to a new area.

The Greater Lafayette TV Cable Service Company does not distinguish between mobile home park residents and other residents when establishing rates. However, the parks are treated as apartment dwellings in installation and rate determination. This classification often produces a rate which is lower than that for other residents. Only six mobile home parks have cable T.V. service. The major problem is again the congestion of lines.

In the area of fire protection the mobile home parks, because of being located mostly outside the municipal boundaries, generally do not receive the same level of service as do the residents of Lafayette and West Lafayette. Parks located outside the municipal boundaries must rely upon volunteer departments. Such units require an average of approximately 25 min. to respond to calls, too long a time for the department to be effective in extinguishing a mobile home fire. As a result of being located relatively close to fire stations, municipality residents can be reached more quickly by the full-time fire fighting units.

Police protection of mobile home parks is comparable to that of the other residents of the county. The mobile home parks located outside the municipal boundaries are protected by the Sheriff's Office and the Indiana State Police. The parks within the municipal boundaries are protected by the municipal police departments.

Maintenance of streets, curbs, and street lights alongside the mobile home park is also at the same level of service as that of any other area within the county. The streets, curbs, and street lights within the parks are the responsibility of the park owner.

The United States Post Office Department furnishes the same service to the residents of the mobile home parks as to the other residents, the postman going to each unit in the park.

In summary, it can be stated that there are no differences between the mobile home park residents and other residents in rates of the public utilities, and that service is available to any park if the developer wishes to make the investment when the public utility does not feel it is economically sound for it to do so.

With the exception of fire protection, in the area of governmental services the mobile home park resident receives comparable service to that received by other residents who are similarly located. In general it can be concluded that the principal variations in rates and service are those between locations inside and outside the municipal boundaries rather than those between residents of mobile home parks and other residents.