

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass with Amendments to the A-Engrossed Measure. (Printed B-Engrossed)

Vote: 5 - 0 - 0

Yeas: Beyer, Burdick, Ferrioli, Starr, Rosenbaum

Nays: 0

Exc.: 0

Prepared By: Erin Seiler, Administrator

Meeting Dates: 2/27

WHAT THE MEASURE DOES: Requires manufactured dwelling park owner give written notice as specified in measure, to park tenants and Oregon Housing and Community Services (OHCS), of owner’s interest in selling park prior to marketing or considering offers. Requires tenants respond in writing as specified, within ten days if interested in competing to purchase park. Requires establishment and identification of “tenants committee” for purpose of requesting financial information and negotiating purchase. Requires owner to disclose specified information within seven days of request. Specifies process for maintaining confidentiality of information. Requires commercially reasonable conduct of parties. Specifies remedies available to parties for noncompliance. Does not apply to other transfers of ownership of park. Permits other parties to rely on park owner’s recordation of affidavit of compliance with measure’s notice requirements. Requires OHCS make specified information available to park tenants. Clarifies statutes governing sales of marinas to purchase associations.

ISSUES DISCUSSED:

- Measure history
- Work group
- Alignment with standard real estate sales practices

EFFECT OF COMMITTEE AMENDMENT: Includes transfer or sale of park within LLC in exemptions. Requires establishment and identification of tenants committee, if none already exists, for purpose of purchasing park and requesting financial information. Removes emergency clause.

BACKGROUND: In manufactured home parks, owners may rent space to a tenant to place a manufactured home and provide basic utilities, plus amenities such as shared community and recreational areas. Manufactured home parks are a significant source of affordable housing. When a park is sold, residents can experience substantial burdens: they may relocate at great expense, or, if they cannot relocate, their home’s value can be entirely diminished.

Current law provides for the sale of manufactured dwelling parks to tenant associations: if a tenant association has informed a park owner that it is interested in purchasing a park, the owner must notify the association of any potential sale, and the association has a 14-day right of first refusal.

House Bill 4038-B creates a process to permit individual tenants to organize and compete to purchase a manufactured dwelling park.