



February 4, 2018

House Revenue Committee
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Subject: Support HB 4028

Dear Chair Barnhart, Vice Chair Smith and Vice Chair Smith Warner:

I am writing to you in support of HB 4028. One of the bill's provisions is to provide a simple, but important amendment to the Oregon Affordable Housing Tax Credit (OAHTC) related to eligible borrowers for loans to preserve manufactured home parks.

For nine years NOAH has provided financing for the acquisition and preservation of manufactured home parks by resident owned cooperatives and non-profit corporations. The OAHTC has been a powerful tool in those financing structures. Further, NOAH convenes a statewide public/private Steering Committee focused on manufactured home park preservation and policy implementation that supports these communities and the homeowners who call them home. We also sit on Prosperity Now's national I'M HOME steering committee which advocates similarly at the national level.

Currently, Oregon Housing and Community Services can award the OAHTC to non-profits, housing authorities, or manufactured dwelling park nonprofit cooperatives for the purchase and preservation of manufactured home parks. The outcome we seek with this bill is to simply allow these mission oriented entities to be eligible for the OAHTC when they form a single asset entity to own manufactured home parks. Single asset entities are a common ownership structure for real estate transactions. This structure is not allowed for manufactured home parks in the current OAHTC statute even though other project types such as preservation and multi-family projects do allow single asset entity ownership under the program.

As drafted, HB 4028 proposes to delete the section of statute that defines specific eligibility for manufactured home park loans and instead relies on the global definition of eligible borrowers for other types of affordable housing that already includes single asset entities. This approach results in the unintended consequence of eliminating eligibility for the OAHTC by manufactured dwelling park nonprofit cooperatives which are only enabled in the deleted paragraph 14. This would have a devastating impact for those communities already owned, or currently being purchased by park residents.

The OAHTC has played a vital role in the preservation of manufactured home parks. We urge your support of this amendment to allow mission-oriented owners to form single asset ownership entities and still be eligible for the OAHTC.

Sincerely,

William A. Van Vliet
Executive Director