

**HB 2364 A STAFF MEASURE SUMMARY**  
**Senate Committee On Housing and Development**

**Carrier:** Sen. Golden

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**Action Date:** 05/18/21  
**Action:** Do pass the A-Eng bill.  
**Vote:** 3-2-0-0  
**Yeas:** 3 - Golden, Jama, Patterson  
**Nays:** 2 - Anderson, Linthicum  
**Fiscal:** Has minimal fiscal impact  
**Revenue:** No revenue impact  
**Prepared By:** Devin Edwards, LPRO Analyst  
**Meeting Dates:** 5/4, 5/18

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**WHAT THE MEASURE DOES:**

Increases amount of time tenants have to form a committee and notify manufactured dwelling park owners of their intent to purchase the park, from 10 days to 15 days after receipt of owner's notice of intent to sell. Increases amount of time owners have to provide required financial information from seven to 14 days after receipt of tenants' request for same. Adds total park operating expenses in calendar year preceding disclosure, to financial information that is required. Increases amount of time tenant committees have to make offer to purchase from 15 to 45 days after owner delivers financial information, or after 15-day period following owner notification to tenants of intent to sell, if no financial information was requested. Requires good faith conduct by owners. Authorizes recovery of 10 percent of sale price for owner noncompliance. Directs Department of Justice (DOJ) and prevailing party to receive 50 percent each of any damage award. Allocates DOJ's share to Manufactured Dwelling Parks Account after recuperation of costs. Requires prevailing party to notify DOJ of award within seven days of judgment.

**ISSUES DISCUSSED:**

- Right of first refusal for tenants in manufactured dwelling parks
- Subsidies for purchase of manufactured dwelling parks
- Penalties for failing to meet sales process requirements
- Judgment creditor designation
- Rulemaking by Oregon Housing and Community Services
- Mobility of manufactured dwelling park residents
- Intent of manufactured dwelling park owners

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Manufactured homes are one of the largest sources of unsubsidized affordable housing in the country. In Oregon, manufactured homes account for eight percent of the state's total housing volume, and 16 percent of the state's affordable housing stock, according to an American Community Survey five-year estimate for 2013-2017. In manufactured home parks (referred to as a "facility" in state statutes) residents may rent or own a dwelling, in or on a space that is rented from a park owner. The park provides basic utilities, and may also provide amenities such as shared recreational areas.

Prior to 2014, when parks were sold, low-income residents and residents with fixed incomes were largely displaced: they could not afford to relocate or move their home to another park; they were subject to rent increases they could not afford; or the property was redeveloped for other purposes and removed from the

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supply of affordable housing altogether.

In 2014, the Legislative Assembly enacted House Bill 4038 to create a process for individual tenants to organize and compete to purchase a manufactured dwelling park that was offered for sale. The Manufactured Dwelling Parks Account was established to fund technical assistance for nonprofits, housing authorities, and park resident cooperatives, to help tenants with the process and preserve the supply of affordable housing.

House Bill 2364 A provides more time for tenant organizations and owners to communicate with respect to certain aspects of the process, when a manufactured dwelling park is for sale: tenants have more time to organize and inform an owner of their intent; owners have more time to provide required financial information; and tenants have more time to make a formal offer. The measure also adds disclosure of a park's total operating expenses in the preceding calendar year to the list of financial information that is provided to tenants, and requires owners to act in good faith. Finally, the measure provides for damages of 10 percent of a park's sale price if an owner fails to comply with process requirements, identifies the Department of Justice (DOJ) and the prevailing party as recipients of any damage award, and dedicates DOJ's share to the Manufactured Dwelling Parks Account after costs are recuperated.