

March 16, 2021

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

Dear Chair Fahey, Vice-Chair Morgan, Vice-Chair Campos, Members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to express our support for HB 2364 and the -1 amendments, which would make improvements to our laws that allow residents of manufactured home communities to purchase their parks.

The Oregon Housing Alliance is a coalition of more than ninety organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the foundation on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices including affordable housing developers, residents of affordable housing, local jurisdictions, and organizations working to meet basic needs in every corner of our state.

All Oregonians deserve a safe, stable, and affordable place to call home.

Today, we simply don't have enough affordable homes for people who need them. People – our neighbors and members of our community – are struggling with homelessness, housing instability, rent burdens, and to make ends meet and put food on the table, particularly during this pandemic.

Across Oregon, people with low incomes and seniors on fixed incomes live in manufactured home communities. Manufactured homes and the parks in which they are located have been a key source of affordable housing for many residents across Oregon. In total, there are over 62,000 manufactured homes in over 1,000 communities across Oregon.

Manufactured homes are often one of the last sources of affordable housing in communities, and these communities are home to seniors, people who experience disabilities, agricultural workers, and other people with low incomes. These communities are more than just affordable homes, but are communities.

Residents own their home, but rent the space their home resides on. Today's manufactured homes are not mobile, and residents have often sunk their savings into buying their homes. Since 2019, the increases that a landlord can give a tenant for their rent has been capped, but owners of manufactured homes in these communities may still find the increases to be unmanageable and unaffordable.

Over the past several years, the problems with investment firms purchasing manufactured home parks, and subsequent problems have been well documented by media sources, including Financial Times¹, Last Week Tonight with John Oliver², and most recently, the New Yorker³. These articles note that investment firms find parks to be an attractive investment because "*They see the parks as reliable sources of passive income—assets that generate steady returns and require little effort to maintain.*"⁴ Investor owners often bring challenges for the residents, including a lack of investment or money to maintain the park, and it may fall into disrepair, all while residents experience continued rent increases. As one testifier noted this morning, it helps when park owners see their tenants as human beings, and not just income.

One strategy is to purchase the park, either as a resident owned cooperative or as a non-profit or housing authority, in order to keep it affordable. In previous sessions, a law was passed which requires owners to notify residents of a sale, and give them the opportunity to purchase the park.

However, organizations that work either to purchase the park from owners to maintain it as affordable housing or residents who seek to form a cooperative in order to purchase the park note that the existing law doesn't work as it should be, and that improvements are needed. HB 2364 and the -1 amendments would expand on previous work done to increase the opportunity to purchase parks and help them remain affordable.

We urge your support of HB 2364. Thank you very much for your time, and for your service to our state.

Sincerely,

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Alison McIntosh On Behalf of the Oregon Housing Alliance

¹ https://www.ft.com/content/3c87eb24-47a8-11ea-aee2-9ddbdc86190d

² <u>https://www.youtube.com/watch?v=jCC8fPQOaxU</u>

³ <u>https://www.newyorker.com/magazine/2021/03/15/what-happens-when-investment-firms-acquire-trailer-parks</u>

⁴ <u>https://www.newyorker.com/magazine/2021/03/15/what-happens-when-investment-firms-acquire-trailer-parks</u>

Housing Alliance Members

1000 Friends of Oregon 211info Aging in the Gorge Benton Habitat for Humanity Bienestar Bradley Angle **BRIDGE** Housing Business for a Better Portland CASA of Oregon Central City Concern Chrisman Development Church Women United of Lane County City of Beaverton City of Eugene City of Forest Grove City of Hillsboro City of Hood River City of Portland City of Tigard Clackamas County Coalition of Community Health Clinics Coalition of Housing Advocates College Housing Northwest Community Action Partnership of Oregon Community Action Team Community Alliance of Tenants Community Development Partners Community Housing Fund Community Partners for Affordable Housing Community Vision Cornerstone Community Housing DevNW Ecumenical Ministries of Oregon Enterprise Community Partners Fair Housing Council of Oregon Farmworker Housing Development Corp. FOOD for Lane County Habitat for Humanity of Oregon Habitat for Humanity Portland/Metro East Hacienda CDC Home Forward Homes for Good Housing Authorities of Oregon Housing Authority of Clackamas County Housing Development Center Housing Oregon Human Solutions Immigrant & Refugee Community Organization Impact Northwest Innovative Housing, Inc. Interfaith Alliance on Poverty JOIN Lane County Health and Human Services League of Oregon Cities League of Women Voters of Oregon Lincoln County Looking Glass Community Services Mainstream Housing Inc. Metro Mid-Columbia Housing Authority NAYA Family Center Neighborhood Partnerships NeighborImpact NeighborWorks Umpgua Network for Oregon Affordable Housing Northwest Housing Alternatives Northwest Pilot Project Oregon AFSCME Council 75 Oregon Coalition of Christian Voices Oregon Center for Public Policy **Oregon Coalition on Housing & Homelessness** Oregon Council on Developmental Disabilities Oregon Food Bank Our Children Oregon Partners for a Hunger-Free Oregon Portland Community Reinvestment Initiatives Portland Homeless Family Solutions Portland: Neighbors Welcome Proud Ground Raphael House REACH CDC Residents Organizing for Change (ROC) Oregon Roque Action Center Rose CDC St. Francis Shelter St. Vincent de Paul of Lane County, Inc. ShelterCare Sisters Habitat for Humanity Sponsors, Inc. SquareOne Villages Street Roots Think Real Estate Transition Projects Washington County Welcome Home Coalition