

HOUSE INTERIM COMMITTEE ON HOUSING AND HOMELESSNESS

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Manufactured Home parks (“MHPs”) in Oregon—John VanLandingham, Oregon Law Center/Lane County Legal Aid, johnvl@oregonlawcenter.org

Historical perspective, who lives there and why, bias:

- About 1,000 MHPs in Oregon with about 70,000 residents. Many parks built in the 1970s and 1980s, often by people who lived in the park. Few if any built after the 1980s.
- Who: Anyone, but frequently seniors downsizing, starter families seeking something they can afford, farmworkers (ditto).
- Why do people choose MHPs: Community; security; affordability; pride of ownership; equity; ease of maintenance.
- Downsides of living in MHPs: Fear of closure (MHs are not mobile; expensive/difficult to move; homeowners likely to lose their homes); park sales/rent increases (which decrease value of the MH upon sale; some T with limited incomes – e.g., social security – can’t afford increases and must move out); bad management/poor maintenance (especially as original owners sell to corporations); bias (including by local governments).

What’s been done in Oregon to address the downsides:

- Limits on closure: 1 year notice, relocation payments. ORS 90.645.
- Encourage purchase by tenants, nonprofits, public housing authorities.

- Opportunity to compete to purchase when L chooses to sell. ORS 90.842 – 90.850.
- Capital gains tax exemption for sales to tenants, nonprofits, public housing authorities. Temporary (sunsetted) provisions following ORS 316.719, 317.401.
 - Only effective if L is an Oregon taxpayer.
- Eligibility for Oregon Affordable Housing Tax Credit if owned by tenants, nonprofits, PHAs. (Results in bank loan rates 4 percent below market.) ORS 317.097.
- Statute authorizing Manufactured Dwelling Park Nonprofit Cooperative Corporation. Necessary to qualify for above. ORS 62.800 to .815.
- Technical assistance – CASA.
- NOAH as lender.
- State subsidy (preservation funding).

- Regarding rent increases: Rent increase cap (but with rent reset loophole); ORS 90.600.
- Regarding management issues.
 - Park registration with the state and mandatory education for Ls/managers.
 - State program (Manufactured Home and Marina Communities Resource Center) providing education and dispute resolution through Community Dispute Resolution Centers, for both Ts and Ls, and managing the registration and mandatory education programs. ORS 456.403. Funded through annual T special assessment (\$10). ORS 456.418.

- Mandatory mediation of L versus T disputes, T versus T disputes. ORS 90.767.
- Pilot program of attorney representing tenants statewide, paid by tenant special assessment. Temporary provision following ORS 456.407.
- Regarding bias against MHPs: Land use laws prohibit cities from preventing development of MHPs. ORS 197.314.
- Regarding supply of MHPs, MHs.
 - Affordable Housing Pilot Program allowing expedited expansion of UGBs for certain cities if expansion includes affordable housing, including a new MHP. Bend, Redmond, and Pendleton have been approved by LCDC. 2016 Or Laws ch. 52 (HB 4079); amended in 2019 and 2021.
 - Expanded definition of MHs to include modular units (prefabricated structures). ORS 90.100 (34).

Oregon Residential Landlord-Tenant law:

- Oregon Revised Statutes chapter 90; ORS 90.505 to .850 limited to MH parks and floating home marinas.
- Key differences when compared to apartments:
 - Definition of MHP: 4 or more spaces for rent to a tenant who owns and occupies the MH and rents the space; does not

include RVs, MHs outside of a park, or where person rents both the MH and the space.

- For-cause terminations only, with cure right, for conduct. ORS 90.630.
- For-cause termination for disrepair of the MH; does not include aesthetics, age, style. ORS 90.632.
- Unilateral amendments of the rental agreement not allowed; Ts get to vote on rule changes. ORS 90.510 (4); 90.610.
- Utilities/submetering (primarily water/sewer). ORS 90.560 to .584.
- Conversion to subdivision. ORS 90.643, 92.830 to .845.

Recent legislative changes:

- HB 2986 (2019) New programs: home replacements, decommissioning, park acquisitions, new Springfield park, MHAC.
- HB 3218 (2021) Natural disaster flexibility.
- HB 3219 (2021) Use of modular homes in a manufactured home park.
- HB 4064 (2022) Design standards no longer required.
- HB 3151 (2023) Tenant/LL park costs, Dispute Resolution clarity, Expedited Zoning, Allows use of OHCS loan funds for new park development.