

Enrolled
House Bill 3151

Sponsored by Representative MARSH; Representatives DEXTER, FAHEY, HELM, Senators JAMA, SOLLMAN

CHAPTER

AN ACT

Relating to housing; creating new provisions; and amending ORS 90.514, 197.308 and 458.352 and sections 9 and 12, chapter 625, Oregon Laws 2019.

Be It Enacted by the People of the State of Oregon:

TENANT IMPROVEMENTS TO MANUFACTURED DWELLING SPACES

SECTION 1. ORS 90.514 is amended to read:

90.514. (1) Before a prospective tenant signs a rental agreement for space in a manufactured dwelling park or for a converted rental space, the landlord must provide the prospective tenant with a written statement that discloses the improvements that the landlord will require under the rental agreement. The written statement must be in the format developed by the Attorney General pursuant to ORS 90.516 and include at least the following:

(a) A notice that the tenant may select and contract directly with a contractor to be the provider of an improvement.

(b) Separately stated and identifiable information for each required improvement that specifies:

(A) The dimensions, materials and finish for improvements to be constructed **or repaired**;

(B) The *[installation charges imposed by the landlord and the]* installation fees imposed by government agencies; **and**

[(C) The system development charges to be paid by the tenant; and]

[(D)] (C) The site preparation requirements and restrictions, including, but not limited to, requirements and restrictions on the use of plants and landscaping.

(c) Identification of the improvements that belong to the tenant and the improvements that must remain with the space.

(2) A landlord may not require as part of the improvements under the rental agreement that a tenant:

(a) Pay any fee to the landlord for improvements.

(b) Pay any system development charges.

(c) Construct or repair an improvement that cannot be reasonably removed and owned by the tenant at the termination of the tenancy, except for porches, stairs, decks, awnings, carports, sheds or vegetative landscaping on the site or any other improvements necessary for the safe and lawful installation of the manufactured dwelling.

[(2)] (3) Except as provided in ORS 41.740, a written statement provided under this section is considered to contain all of the terms relating to improvements that a prospective tenant must make

under the rental agreement. There may be no evidence of the terms of the written statement other than the contents of the written statement.

NOTE: Section 2 was deleted by amendment. Subsequent sections were not renumbered.

DISPUTE RESOLUTION FOR FACILITY TENANTS

SECTION 3. Section 9, chapter 625, Oregon Laws 2019, is amended to read:

Sec. 9. (1) The Housing and Community Services Department shall award grants to persons to provide legal *[representation]* **assistance** to low-income facility tenants in addressing **issues and** disputes involving *[legal matters arising under]* ORS chapter 90. **The legal assistance may be in the form of outreach, education, advice, case representation and similar efforts. Grants may be used to cover the employee-related expenses of attorneys who provide legal assistance under this section.**

(2) The department may adopt rules and income level criteria to implement this program.

(3) In selecting entities for grants under this section, the department shall consider the experience and qualifications of the entities relating to:

(a) Representing tenants in disputes arising under ORS chapter 90;

(b) Serving tenants throughout the state, including by telephone or online communications or resources when appropriate; and

(c) Ability to network with other attorneys to leverage the available legal assistance.

(4) Total grant amounts awarded under this section may only come from the Manufactured and Marina Communities account under ORS *[446.533]* **456.414** and may not exceed \$200,000 per biennium.

SECTION 4. Section 12, chapter 625, Oregon Laws 2019, is amended to read:

Sec. 12. Sections 9 and 10, **chapter 625, Oregon Laws 2019**, *[of this 2019 Act]* are repealed January 2, *[2024]* **2027**.

NOTE: Section 5 was deleted by amendment. Subsequent sections were not renumbered.

AFFORDABLE HOUSING ON NONRESIDENTIAL LANDS

SECTION 6. ORS 197.308, as amended by section 4, chapter 47, Oregon Laws 2022, is amended to read:

197.308. (1) As used in this section, “affordable housing” means residential property:

(a) In which:

(A) Each unit on the property is made available to own or rent to families with incomes of 80 percent or less of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development; *[or]*

(B) The average of all units on the property is made available to families with incomes of 60 percent or less of the area median income; *[and]* **or**

(C) A manufactured dwelling park is operated that serves only households with incomes of 120 percent or less of the area median income; and

(b) Whose affordability is enforceable, including as described in ORS 456.270 to 456.295, for a duration of no less than 30 years.

(2) A local government shall allow affordable housing, and may not require a zone change or conditional use permit for affordable housing, if the proposed affordable housing is on property that is:

(a) Owned by:

(A) A public body, as defined in ORS 174.109; *[or]*

(B) A nonprofit corporation that is organized as a religious corporation; *[or]*

(C) A nonprofit corporation that is organized as a public benefit corporation whose primary purpose is the development of affordable housing;

(D) A housing authority, as defined in ORS 456.005; or

- (E) A manufactured dwelling park nonprofit cooperative, as defined in ORS 62.803; or**
- (b) Zoned:
- (A) For commercial uses;
- (B) To allow religious assembly; or
- (C) As public lands.
- (3) Subsection (2) of this section:
- (a) Does not apply to the development of housing not within an urban growth boundary.
- (b) Does not trigger any requirement that a local government consider or update an analysis as required by a statewide planning goal relating to economic development.
- (c) Applies on property zoned to allow for industrial uses only if the property is:
- (A) Publicly owned;
- (B) Adjacent to lands zoned for residential uses or schools; and
- (C) Not specifically designated for heavy industrial uses.
- (d) Does not apply on lands where the local government determines that:
- (A) The development on the property cannot be adequately served by water, sewer, storm water drainage or streets, or will not be adequately served at the time that development on the lot is complete;
- (B) The property contains a slope of 25 percent or greater;
- (C) The property is within a 100-year floodplain; or
- (D) The development of the property is constrained by land use regulations based on statewide land use planning goals relating to:
- (i) Natural disasters and hazards; or
- (ii) Natural resources, including air, water, land or natural areas, but not including open spaces or historic resources.
- (4) A local government shall approve an application at an authorized density level and authorized height level, as defined in ORS 227.175 (4), for the development of affordable housing, at the greater of:
- (a) Any local density bonus for affordable housing; or
- (b) Without consideration of any local density bonus for affordable housing:
- (A) For property with existing maximum density of 16 or fewer units per acre, 200 percent of the existing density and 12 additional feet;
- (B) For property with existing maximum density of 17 or more units per acre and 45 or fewer units per acre, 150 percent of the existing density and 24 additional feet; or
- (C) For property with existing maximum density of 46 or more units per acre, 125 percent of the existing density and 36 additional feet.
- (5)(a) Subsection (4) of this section does not apply to housing allowed under subsection (2) of this section in areas that are not zoned for residential uses.
- (b) A local government may reduce the density or height of the density bonus allowed under subsection (4) of this section as necessary to address a health, safety or habitability issue, including fire safety, or to comply with a protective measure adopted pursuant to a statewide land use planning goal. Notwithstanding ORS 197.350, the local government must adopt findings supported by substantial evidence demonstrating the necessity of this reduction.

NOTE: Section 7 was deleted by amendment. Subsequent sections were not renumbered.

MANUFACTURED DWELLING PARK LOAN PROGRAM

SECTION 8. ORS 458.352, as amended by section 20, chapter 54, Oregon Laws 2022, is amended to read:

458.352. (1) As used in this section:

(a) "Average income" means an income that complies with income restrictions determined at the advice and consent of the Oregon Housing Stability Council, but not to exceed the greater of 100 percent of the statewide or local area median income adjusted for household size as determined

annually by the Housing and Community Services Department using United States Department of Housing and Urban Development information.

(b) "Manufactured dwelling park" has the meaning given that term in ORS 446.003.

(c) "Nonprofit corporation" means a corporation that is exempt from income taxes under section 501(c)(3) or (4) of the Internal Revenue Code as amended and in effect on December 31, 2016.

(2) The Housing and Community Services Department shall provide one or more loans to nonprofit corporations to create manufactured dwelling park preservation **and development** programs that invest in, and provide loans for, the preservation [*and affordability of*], **development and expansion of affordable** manufactured dwelling parks in this state, including through:

(a) The repair or reconstruction of parks destroyed by natural disasters; or

(b) The acquisition and development of land for parks or for the expansion of parks in areas that have been affected by a natural disaster.

(3) To be eligible for a loan under this section, a nonprofit corporation shall demonstrate to the satisfaction of the department that the nonprofit corporation:

(a) Is a community development financial institution operating statewide to support investment in, and acquisition, renovation and construction of, affordable housing;

(b) Has the ability and capacity to provide the services and reporting required of the program described in subsections (4) and (6) of this section; and

(c) Meets other requirements established by the department regarding financial risk and availability or accessibility of additional resources.

(4) An eligible nonprofit corporation, with input from the department, shall develop a manufactured dwelling park **development and** preservation program that:

(a) Invests in, and loans funds to, other nonprofit corporations, housing authorities, manufactured dwelling park nonprofit cooperatives as defined in ORS 62.803, local units of government as defined in ORS 466.706, agencies as defined in ORS 183.310, or any entity in which a nonprofit corporation has a controlling share, to:

(A) Purchase or refinance manufactured dwelling parks that will maintain the parks as parks long term; or

(B) **Construct**, develop, expand, repair or reconstruct parks, **including parks** destroyed by natural disasters;

(b) Emphasizes, when providing loans under paragraph (a) of this subsection, the financing of parks whose residents are predominantly members of households with income less than average income; and

(c) Preserves the affordability of the park space rent to park tenants who are members of households with income less than average income.

(5) An eligible nonprofit corporation shall create a park **development and** preservation account to be used by the nonprofit corporation for the manufactured dwelling park preservation program and shall deposit the moneys loaned by the department into the account.

(6) An eligible nonprofit corporation shall ensure that all financial activities of the program are paid from and into the park **development and** preservation account created under subsection (5) of this section. Each nonprofit corporation shall report to the department no less than semiannually, showing the expenses and incomes of the park **development and** preservation account and the results of the manufactured dwelling park **development and** preservation program.

(7) A loan made by the department under this section:

(a) May require the nonprofit corporation to pay interest.

(b) May not require the nonprofit corporation to make any loan payments before the maturity date of the loan.

(c) Must have a maturity date of no later than September 15, 2036.

(d) May have its maturity date extended by the department.

(e) Shall have all or part of the unpaid balance forgiven by the department in an amount not to exceed the losses incurred on investments or loans made by the nonprofit corporation under subsection (4)(a) of this section.

(f) May include such agreements by the nonprofit corporation practical to secure the loan made by the department and to accomplish the purposes of the program described in subsection (4) of this section.

(8) The department or the State Treasurer shall deposit moneys received in servicing the loan into the General Housing Account of the Oregon Housing Fund created under ORS 458.620.

SECTION 9. The Housing and Community Services Department may negotiate with nonprofit corporations that received loans under ORS 458.352 (2) before the effective date of this 2023 Act to allow the nonprofit corporation to use those moneys consistent with ORS 458.352 as amended by section 8 of this 2023 Act.

CAPTIONS

SECTION 10. The unit captions used in this 2023 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2023 Act.

Passed by House March 22, 2023

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Timothy G. Sekerak, Chief Clerk of House

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Dan Rayfield, Speaker of House

Passed by Senate June 22, 2023

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Rob Wagner, President of Senate

Received by Governor:

.....M,....., 2023

Approved:

.....M,....., 2023

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M,....., 2023

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Secretary of State