



January 30, 2023

HOUSE COMMITTEE ON
HOUSING AND HOMELESSNESS
Oregon State Capitol 900 Court Street NE,
Room , Salem, Oregon 97301

Re: HB 2983 – Testimony in Support

Chair Dexter and Committee Members:

Housing Land Advocates has, as a non-profit organization, sought to increase the housing options for Oregonians, particularly those at the lower end of the income scale. We have participated, along with other like-minded organizations and individuals, in the offering advice regarding the drafting and passage of many housing bills to come before the legislature in the last ten years, as well as participating in advisory committees related to the drafting of administrative rules to carry out legislative housing mandates.

With this background in mind, it is not surprising that we support HB 2983, which would appropriate \$55 million in the coming biennium to assist in the acquisition and rehabilitation of manufactured home parks and the construction of new ones. It also includes \$250,000 to the Department of Land Conservation and Development to develop model codes for the development of manufactured dwelling parks and efficiency measures for cottage clusters which may include the development of manufactured dwellings.

The history of the acquisition and rehabilitation program is well known. It began in 2007, prompted by the closure of 69 manufactured housing communities and the displacement of approximately 2,800 households over seven years (2001-2007). While the pace of closures has significantly abated due in part to these and other state laws, now residents of Oregon's manufactured housing communities face a new kind of threat. They are being bought up by large corporate interests who view them as little more than a financial asset and no longer have a connection with, or empathy for, the people (frequently elderly) living there. It is a not uncommon practice to raise the rents to just within the maximum allowed by state law, which is significantly more than an older adult household living on a fixed income or social security can afford. The result can be devastating for older adults in particular--loss of home, loss of community, loss of all that is familiar. The way to address this is by accelerating friendly acquisitions by nonprofits, resident cooperatives and housing authorities, which ensure that communities remain affordable.

The State of Oregon has, as a matter of policy and legislative direction, supported the acquisition of existing manufactured housing parks by their resident landowners, nonprofits, and housing authorities, to be used as permanent housing that their residents could afford. Under these programs, 33 communities have been preserved so far, providing permanently affordable

spaces for the homes of 2,143 households. This proposal continues and funds these preservation policies for their application in other communities.

This proposed funding package provides seed money to support the development of new, permanently affordable manufactured housing communities, which will offer critically needed low-cost homeownership opportunities. It also provides resources to pave the way for using this lower-cost construction method in new settings, such as cottage clusters. The relative affordability of this construction method is well-documented. In 2021, the cost per square foot of a new doublewide manufactured home was approximately half the cost per square foot of a new traditional site-built home, excluding land costs. (\$73.58 compared to \$143.83, or 51%.) Preserving and upgrading existing parks, as well as providing new parks, provide less expensive options for families and individuals who would not otherwise be able to afford decent housing.

There is no single solution to the state's housing crisis. Oregon faces a staggering shortage of lower-cost housing. According to 2020 data from the state's Regional Housing Needs Analysis, the estimated shortage of housing for households at or below 50% median family income is 55,000 homes (not including housing for the houseless population, which adds another 27,300 units). The state's major source of low cost, owner-occupied housing is found in manufactured housing communities, where people rent the space but live in their own homes. As a matter of fiscal prudence and social justice, we cannot afford to ignore the necessary support for this housing type.

For all these reasons, Housing Land Advocates supports HB 2983.

Sincerely,



Jennifer Bragar
President

cc: Board