



HB 2896: Preserving our manufactured housing communities and replacing manufactured homes

IMPROVING HOUSING SECURITY AND HEALTH OUTCOMES FOR HOMEOWNERS IN MANUFACTURED HOMES

Today in Oregon, there are approximately 140,000 manufactured homes, which provide affordable homes for seniors, people experiencing disabilities, and people with low incomes. Of these homes, nearly half were built prior to 1980, which is about the time HUD's first manufactured home building code was fully phased in, and approximately 62,000 of those are located in over 1,000 manufactured home parks where homeowners own their home but rent the land beneath it. Many of these older homes are in disrepair, some severely, are unhealthy due to mold and other hazardous materials such as asbestos and lead. Many have leaking and collapsing roofs, rotting floors and failing systems. These older homes are energy inefficient, resulting in high utility consumption and cost burdens, and contributing disproportionately to climate change.

Manufactured Home Replacements: The bill establishes two new resources to support homeowners in replacing their manufactured homes--a grant to help decommission the old manufactured homes, and a supplemental loan program to fill final funding gaps. HB 2896 appropriates \$2,500,000 to Oregon Housing and Community Services for these purposes.

- **Decommissioning:** A barrier to replacing manufactured homes has been the cost to demolish the old home. This program will remove these old, unhealthy, and energy inefficient homes from our housing stock so they aren't simply reused elsewhere. The cost to decommission manufactured homes can run \$7,500 to \$15,000, depending on the size, age, location of the home, and whether the homes contains hazardous materials.
- **Supplemental Loans:** The owners of these aging homes have limited incomes and assets, and as a result, need help to replace their homes. The new OHCS loan program will help close those gaps. The maximum loan per home through the program will be \$35,000.
- These homes must be occupied by the homeowner, and located in a park with a regulatory agreement with OHCS, or be located on land where the homeowner own both the home and the land underneath it. The program will serve households whose incomes are no more than 100% of the median income. The homes must meet energy efficiency standards established by OHCS.

The goal of this program is to provide just enough grant and loan funding to replace the home without burdening the low-income homeowner. Owners are expected to secure a mortgage loan in addition to this support.

Manufactured Home Park Acquisition Fund: This bill allocates \$9.5 million to OHCS to create acquisition funds to finance the purchase of manufactured home parks by non-profit organizations, public housing authorities, or resident owned cooperatives, in order to ensure the long-term affordability of the park, and to prevent closure and displacement.

Manufactured Housing Taskforce: The bill establishes an advisory committee on manufactured housing within Oregon Housing and Community Services.

Springfield: The bill allocates \$3 million to help the City of Springfield construct a new manufactured home park to receive displaced residents caused by park closures due to redevelopment.

FROM THE DESK OF:

These organizations endorse HB 2896 Representative Pam Marsh

House District 05

Pam Marsh



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