

A-Engrossed
House Bill 2896

Ordered by the House March 15
Including House Amendments dated March 15

Sponsored by Representatives MARSH, SMITH G, Senator HANSELL; Representatives GOMBERG, HELT, KENY-GUYER, MCKEOWN, MEEK, WILDE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires Housing and Community Services Department to provide [*loan*] **loans** to **one or more** nonprofit [*corporation*] **corporations** to develop [*program*] **programs** that [*supports*] **support** manufactured dwelling park preservation and affordability for tenants. [*Forgives loan*] **Allows department to forgive loans** in [*proportion to program's*] **amount not to exceed programs'** losses.

Requires nonprofit [*corporation*] **corporations** to provide semiannual [*report*] **reports** to department and department to provide biennial report to Legislative Assembly.

Appropriates moneys from General Fund to department for [*loan*] **loans**.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to manufactured dwellings; and prescribing an effective date.

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

4 **SECTION 1. (1) As used in this section:**

5 (a) **"Average income"** means an income that complies with income restrictions deter-
6 mined at the advice and consent of the Oregon Housing Stability Council, but not to exceed
7 the greater of 100 percent of the statewide or local area median income adjusted for house-
8 hold size as determined annually by the Housing and Community Services Department using
9 United States Department of Housing and Urban Development information.

10 (b) **"Nonprofit corporation"** means a corporation that is exempt from income taxes under
11 section 501(c)(3) or (4) of the Internal Revenue Code as amended and in effect on December
12 31, 2016.

13 (2) **The Housing and Community Services Department shall provide one or more loans to**
14 **nonprofit corporations to create manufactured dwelling park preservation programs that**
15 **invest in, and provide loans for, the preservation and affordability of manufactured dwelling**
16 **parks in this state.**

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

19 (a) **Is a community development financial institution operating statewide to support in-**
20 **vestment in, and acquisition, renovation and construction of, affordable housing;**

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

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

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

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

3 (a) Invests in, and loans funds to, other nonprofit corporations, housing authorities,
4 manufactured dwelling park nonprofit cooperatives as defined in ORS 62.803, local units of
5 government as defined in ORS 466.706, agencies as defined in ORS 183.310, or any entity in
6 which a nonprofit corporation has a controlling share, to purchase or refinance manufac-
7 tured dwelling parks that will maintain the parks as parks long term;

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

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

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

16 (6) An eligible nonprofit corporation shall ensure that all financial activities of the pro-
17 gram are paid from and into the park preservation account created under subsection (5) of
18 this section. Each nonprofit corporation shall report to the department no less than semi-
19 annually, showing the expenses and incomes of the park preservation account and the results
20 of the manufactured dwelling park preservation program.

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

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

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

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

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

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

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

33 (8) The department or the State Treasurer shall deposit moneys received in servicing the
34 loan into the General Housing Account of the Oregon Housing Fund created under ORS
35 458.620.

36 **SECTION 2.** No later than September 15, 2021, and no later than September 15 of each
37 odd-numbered year thereafter, the Housing and Community Services Department shall re-
38 port, in the manner provided by ORS 192.245, to the appropriate interim committee or com-
39 mittees of the Legislative Assembly on the implementation of the manufactured dwelling
40 park preservation program created pursuant to section 1 of this 2019 Act.

41 **SECTION 3.** Section 2 of this 2019 Act is repealed on January 2, 2038.

42 **SECTION 4.** In addition to and not in lieu of any other appropriation, there is appropri-
43 ated to the Housing and Community Services Department, for the biennium beginning July
44 1, 2019, out of the General Fund, the amount of \$3,000,000 for the administration and funding
45 of the loan under section 1 of this 2019 Act.

1 **SECTION 5.** This 2019 Act takes effect on the 91st day after the date on which the 2019
2 regular session of the Eightieth Legislative Assembly adjourns sine die.
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