

## **HB 3218 -1 STAFF MEASURE SUMMARY**

### **House Committee On Housing**

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**Prepared By:** Claire Adamsick, LPRO Analyst

**Meeting Dates:** 3/16, 3/23

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#### **WHAT THE MEASURE DOES:**

Expands allowable uses of Housing and Community Services Department manufactured dwelling park preservation programs to include support for repair or reconstruction of parks, or the acquisition of land for the development or expansion of parks in areas that have been destroyed or affected by natural disaster. Directs department to expand loan program to allow individual borrowers to buy and site manufactured dwellings to replace those destroyed by natural disaster. Allows department to contract with local governments or other public and private sponsors to administer replacement loan program. Requires department to establish in rule the maximum loan amount allowed per individual borrower. Adjusts cap on department grants for decommissioning and disposal of manufactured dwelling.

#### **ISSUES DISCUSSED:**

- Expanding existing manufactured housing programs to benefit recovery efforts in communities impacted or destroyed by wildfire or other natural disaster
- Measure expands loan program to individuals who live in a privately-owned park
- Removal \$35,000 loan cap to allow flexibility as market conditions change
- Ensuring that affordability restrictions are addressed on a case-by-case basis to allow flexibility for homeowners replacing a home lost to wildfire

#### **EFFECT OF AMENDMENT:**

-1 Clarifies that manufactured dwelling loan program funds may be used toward the purchase of a manufactured dwelling that will be sited in a manufactured dwelling park that has been affected by a natural disaster, and for which the borrower has received a department-issued waiver of the requirement that the park enter into a regulatory agreement. Declares emergency, effective on passage.

No revenue impact; no fiscal impact

#### **BACKGROUND:**

Manufactured housing is one of the largest sources of unsubsidized affordable housing in the country. In Oregon, manufactured homes account for eight percent of the state's total housing volume, and 16 percent of the state's affordable housing stock, according to American Community Survey five-year estimates (2013-2017).

In 2019, the Legislative Assembly enacted House Bill 2896, which established two manufactured home programs: a park preservation program to allow nonprofits, housing authorities and resident co-ops purchase parks that come up for sale; and a state loan program to help low-income manufactured homeowners upgrade to newer, more energy-efficient homes. The measure limited loans to borrowers siting homes in a manufactured home park owned by a non-profit or a cooperative.

The September 2020 wildfires destroyed manufactured homes in many Oregon communities, including an estimated 1,748 manufactured homes in Jackson County. The county reports that the Almeda fire impacted 18 parks and displaced an estimated 3,000 residents. Relief packages in 2020 wildfire-impacted communities included support for manufactured dwelling redevelopment and repair.

**HB 3218 -1 STAFF MEASURE SUMMARY**

House Bill 3218 allows Oregon Housing and Community Services to utilize loan and grant funds to support the repair or reconstruction of manufactured dwellings destroyed by a natural disaster.