

# HB 2983A - Manufactured Housing is Affordable Housing

**Background:** Manufactured housing is one of the largest sources of unsubsidized affordable housing in Oregon. Today, there are approximately 140,000 manufactured homes in Oregon with 62,000 located in 1,000 privately owned manufactured home parks. These communities provide affordable homes for seniors, people experiencing disabilities, and people with low incomes.

**Manufactured homes offer significant cost advantages** to site-built homes and can be an important part of the solution to Oregon's housing supply and affordability crisis. Because they are built efficiently in factories, they also don't compete for site-built construction labor saving time and money. At a time when Oregon needs to both preserve and expand the supply of affordable housing, manufactured homes just make sense.

## **Housing Production using Manufactured Homes:**

- The bill allocates \$10 million to OHCS to fund the development of new manufactured home parks owned by residents, non-profits, and housing authorities. In practice, these mission-focused owners minimize space rent increases to preserve affordability and homeowner equity. New homes in these communities offer a great opportunity for compact development of new, highly affordable homeownership opportunities. Increasing the supply of spaces in manufactured home communities will relieve pressure from market forces that have made many communities unaffordable.
- The bill provides a modest \$250,000 to the Department of Land Conservation and Development to develop model codes for manufactured dwelling parks and efficiency measures for cottage clusters. Most codes were developed in the 1970's when there was considerable manufactured home park development activity. Those codes are significantly outdated, but jurisdictions do not have the capacity for modernization. This resource will allow DLCD to create modern codes that can be adopted by jurisdictions should they choose.

## **Manufactured Home Park Preservation:**

- The bill allocates \$35 million to OHCS to finance the purchase of manufactured home parks by nonprofits, public housing authorities, and resident-owned cooperatives to preserve these communities as affordable housing. This item is included in the OHCS budget under Preservation, but this request increases the amount dedicated to MHP preservation. Preserving existing communities through acquisitions protects residents against persistent rent increases or potential park closures.
- The bill allocates \$10 million to OHCS to increase their investments in acquisition funds for the acquisition of manufactured home parks or construction financing for new parks by resident-owned cooperatives, non-profits, and public housing authorities.

## **These organizations have endorsed HB 2983**



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