

A-Engrossed
House Bill 3151

Ordered by the House March 16
Including House Amendments dated March 16

Sponsored by Representative MARSH; Representative HELM

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.

Limits improvements that landlord of manufactured dwelling park may require of tenant. [*Requires Attorney General to update model statement by January 1, 2025.*]

Extends until January 2, 2027, sunset for grants for legal assistance for low-income facility tenants and for existence of Manufactured and Marina Communities Dispute Resolution Advisory Committee. Amends legal assistance grant program.

[*Limits income-to-rent ratio for facility applicants who receive disability or Social Security income.*]

Expands affordable housing that is developable on nonresidential lands.

Expands manufactured dwelling park preservation loan program to allow loaned moneys to be used to develop new parks. Allows Housing and Community Services Department to apply program change to moneys already loaned.

A BILL FOR AN ACT

1
2 Relating to housing; creating new provisions; and amending ORS 90.514, 197.308 and 458.352 and
3 sections 9 and 12, chapter 625, Oregon Laws 2019.

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

5
6 **TENANT IMPROVEMENTS TO MANUFACTURED DWELLING SPACES**

7
8 **SECTION 1.** ORS 90.514 is amended to read:

9 90.514. (1) Before a prospective tenant signs a rental agreement for space in a manufactured
10 dwelling park or for a converted rental space, the landlord must provide the prospective tenant with
11 a written statement that discloses the improvements that the landlord will require under the rental
12 agreement. The written statement must be in the format developed by the Attorney General pursu-
13 ant to ORS 90.516 and include at least the following:

14 (a) A notice that the tenant may select and contract directly with a contractor to be the pro-
15 vider of an improvement.

16 (b) Separately stated and identifiable information for each required improvement that specifies:

17 (A) The dimensions, materials and finish for improvements to be constructed **or repaired**;

18 (B) The [*installation charges imposed by the landlord and the*] installation fees imposed by gov-
19 ernment agencies; **and**

20 [*(C) The system development charges to be paid by the tenant; and*]

21 [*(D)*] (C) The site preparation requirements and restrictions, including, but not limited to, re-
22 quirements and restrictions on the use of plants and landscaping.

23 (c) Identification of the improvements that belong to the tenant and the improvements that must

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 remain with the space.

2 **(2) A landlord may not require as part of the improvements under the rental agreement**
3 **that a tenant:**

4 **(a) Pay any fee to the landlord for improvements.**

5 **(b) Pay any system development charges.**

6 **(c) Construct or repair an improvement that cannot be reasonably removed and owned**
7 **by the tenant at the termination of the tenancy, except for porches, stairs, decks, awnings,**
8 **carports, sheds or vegetative landscaping on the site or any other improvements necessary**
9 **for the safe and lawful installation of the manufactured dwelling.**

10 [(2)] **(3)** Except as provided in ORS 41.740, a written statement provided under this section is
11 considered to contain all of the terms relating to improvements that a prospective tenant must make
12 under the rental agreement. There may be no evidence of the terms of the written statement other
13 than the contents of the written statement.

14 **NOTE:** Section 2 was deleted by amendment. Subsequent sections were not renumbered.

15 16 **DISPUTE RESOLUTION FOR FACILITY TENANTS**

17
18 **SECTION 3.** Section 9, chapter 625, Oregon Laws 2019, is amended to read:

19 **Sec. 9.** (1) The Housing and Community Services Department shall award grants to persons to
20 provide legal [*representation*] **assistance** to low-income facility tenants in addressing **issues and**
21 **disputes involving [*legal matters arising under*] ORS chapter 90. **The legal assistance may be in**
22 **the form of outreach, education, advice, case representation and similar efforts. Grants may**
23 **be used to cover the employee-related expenses of attorneys who provide legal assistance**
24 **under this section.****

25 (2) The department may adopt rules and income level criteria to implement this program.

26 (3) In selecting entities for grants under this section, the department shall consider the experi-
27 ence and qualifications of the entities relating to:

28 (a) Representing tenants in disputes arising under ORS chapter 90;

29 (b) Serving tenants throughout the state, including by telephone or online communications or
30 resources when appropriate; and

31 (c) Ability to network with other attorneys to leverage the available legal assistance.

32 (4) Total grant amounts awarded under this section may only come from the Manufactured and
33 Marina Communities account under ORS [*446.533*] **456.414** and may not exceed \$200,000 per
34 biennium.

35 **SECTION 4.** Section 12, chapter 625, Oregon Laws 2019, is amended to read:

36 **Sec. 12.** Sections 9 and 10, **chapter 625, Oregon Laws 2019**, [*of this 2019 Act*] are repealed
37 January 2, [*2024*] **2027**.

38 **NOTE:** Section 5 was deleted by amendment. Subsequent sections were not renumbered.

39 40 **AFFORDABLE HOUSING ON NONRESIDENTIAL LANDS**

41
42 **SECTION 6.** ORS 197.308, as amended by section 4, chapter 47, Oregon Laws 2022, is amended
43 to read:

44 197.308. (1) As used in this section, “affordable housing” means residential property:

45 (a) In which:

1 (A) Each unit on the property is made available to own or rent to families with incomes of 80
2 percent or less of the area median income as determined by the Oregon Housing Stability Council
3 based on information from the United States Department of Housing and Urban Development; [or]

4 (B) The average of all units on the property is made available to families with incomes of 60
5 percent or less of the area median income; [and] or

6 (C) **A manufactured dwelling park is operated that serves only households with incomes
7 of 120 percent or less of the area median income; and**

8 (b) Whose affordability is enforceable, including as described in ORS 456.270 to 456.295, for a
9 duration of no less than 30 years.

10 (2) A local government shall allow affordable housing, and may not require a zone change or
11 conditional use permit for affordable housing, if the proposed affordable housing is on property that
12 is:

13 (a) Owned by:

14 (A) A public body, as defined in ORS 174.109; [or]

15 (B) A nonprofit corporation that is organized as a religious corporation; [or]

16 (C) **A nonprofit corporation that is organized as a public benefit corporation whose pri-
17 mary purpose is the development of affordable housing;**

18 (D) **A housing authority, as defined in ORS 456.005; or**

19 (E) **A manufactured dwelling park nonprofit cooperative, as defined in ORS 62.803; or**

20 (b) Zoned:

21 (A) For commercial uses;

22 (B) To allow religious assembly; or

23 (C) As public lands.

24 (3) Subsection (2) of this section:

25 (a) Does not apply to the development of housing not within an urban growth boundary.

26 (b) Does not trigger any requirement that a local government consider or update an analysis
27 as required by a statewide planning goal relating to economic development.

28 (c) Applies on property zoned to allow for industrial uses only if the property is:

29 (A) Publicly owned;

30 (B) Adjacent to lands zoned for residential uses or schools; and

31 (C) Not specifically designated for heavy industrial uses.

32 (d) Does not apply on lands where the local government determines that:

33 (A) The development on the property cannot be adequately served by water, sewer, storm water
34 drainage or streets, or will not be adequately served at the time that development on the lot is
35 complete;

36 (B) The property contains a slope of 25 percent or greater;

37 (C) The property is within a 100-year floodplain; or

38 (D) The development of the property is constrained by land use regulations based on statewide
39 land use planning goals relating to:

40 (i) Natural disasters and hazards; or

41 (ii) Natural resources, including air, water, land or natural areas, but not including open spaces
42 or historic resources.

43 (4) A local government shall approve an application at an authorized density level and author-
44 ized height level, as defined in ORS 227.175 (4), for the development of affordable housing, at the
45 greater of:

1 (a) Any local density bonus for affordable housing; or

2 (b) Without consideration of any local density bonus for affordable housing:

3 (A) For property with existing maximum density of 16 or fewer units per acre, 200 percent of
4 the existing density and 12 additional feet;

5 (B) For property with existing maximum density of 17 or more units per acre and 45 or fewer
6 units per acre, 150 percent of the existing density and 24 additional feet; or

7 (C) For property with existing maximum density of 46 or more units per acre, 125 percent of the
8 existing density and 36 additional feet.

9 (5)(a) Subsection (4) of this section does not apply to housing allowed under subsection (2) of this
10 section in areas that are not zoned for residential uses.

11 (b) A local government may reduce the density or height of the density bonus allowed under
12 subsection (4) of this section as necessary to address a health, safety or habitability issue, including
13 fire safety, or to comply with a protective measure adopted pursuant to a statewide land use plan-
14 ning goal. Notwithstanding ORS 197.350, the local government must adopt findings supported by
15 substantial evidence demonstrating the necessity of this reduction.

16 **NOTE:** Section 7 was deleted by amendment. Subsequent sections were not renumbered.

17
18 **MANUFACTURED DWELLING PARK LOAN PROGRAM**

19
20 **SECTION 8.** ORS 458.352, as amended by section 20, chapter 54, Oregon Laws 2022, is amended
21 to read:

22 458.352. (1) As used in this section:

23 (a) "Average income" means an income that complies with income restrictions determined at the
24 advice and consent of the Oregon Housing Stability Council, but not to exceed the greater of 100
25 percent of the statewide or local area median income adjusted for household size as determined
26 annually by the Housing and Community Services Department using United States Department of
27 Housing and Urban Development information.

28 (b) "Manufactured dwelling park" has the meaning given that term in ORS 446.003.

29 (c) "Nonprofit corporation" means a corporation that is exempt from income taxes under section
30 501(c)(3) or (4) of the Internal Revenue Code as amended and in effect on December 31, 2016.

31 (2) The Housing and Community Services Department shall provide one or more loans to
32 nonprofit corporations to create manufactured dwelling park preservation **and development** pro-
33 grams that invest in, and provide loans for, the preservation [*and affordability of*], **development and**
34 **expansion of affordable** manufactured dwelling parks in this state, including through:

35 (a) The repair or reconstruction of parks destroyed by natural disasters; or

36 (b) The acquisition and development of land for parks or for the expansion of parks in areas that
37 have been affected by a natural disaster.

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

40 (a) Is a community development financial institution operating statewide to support investment
41 in, and acquisition, renovation and construction of, affordable housing;

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

44 (c) Meets other requirements established by the department regarding financial risk and avail-
45 ability or accessibility of additional resources.

1 (4) An eligible nonprofit corporation, with input from the department, shall develop a manufac-
2 tured dwelling park **development and** preservation program that:

3 (a) Invests in, and loans funds to, other nonprofit corporations, housing authorities, manufac-
4 tured dwelling park nonprofit cooperatives as defined in ORS 62.803, local units of government as
5 defined in ORS 466.706, agencies as defined in ORS 183.310, or any entity in which a nonprofit cor-
6 poration has a controlling share, to:

7 (A) Purchase or refinance manufactured dwelling parks that will maintain the parks as parks
8 long term; or

9 (B) **Construct**, develop, expand, repair or reconstruct parks, **including parks** destroyed by na-
10 tural disasters;

11 (b) Emphasizes, when providing loans under paragraph (a) of this subsection, the financing of
12 parks whose residents are predominantly members of households with income less than average in-
13 come; and

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

16 (5) An eligible nonprofit corporation shall create a park **development and** preservation account
17 to be used by the nonprofit corporation for the manufactured dwelling park preservation program
18 and shall deposit the moneys loaned by the department into the account.

19 (6) An eligible nonprofit corporation shall ensure that all financial activities of the program are
20 paid from and into the park **development and** preservation account created under subsection (5)
21 of this section. Each nonprofit corporation shall report to the department no less than semiannually,
22 showing the expenses and incomes of the park **development and** preservation account and the re-
23 sults of the manufactured dwelling park **development and** preservation program.

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

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

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

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

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

30 (e) Shall have all or part of the unpaid balance forgiven by the department in an amount not to
31 exceed the losses incurred on investments or loans made by the nonprofit corporation under sub-
32 section (4)(a) of this section.

33 (f) May include such agreements by the nonprofit corporation practical to secure the loan made
34 by the department and to accomplish the purposes of the program described in subsection (4) of this
35 section.

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

38 **SECTION 9. The Housing and Community Services Department may negotiate with**
39 **nonprofit corporations that received loans under ORS 458.352 (2) before the effective date of**
40 **this 2023 Act to allow the nonprofit corporation to use those moneys consistent with ORS**
41 **458.352 as amended by section 8 of this 2023 Act.**

42
43 **CAPTIONS**

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45 **SECTION 10. The unit captions used in this 2023 Act are provided only for the conven-**

1 **ience of the reader and do not become part of the statutory law of this state or express any**
2 **legislative intent in the enactment of this 2023 Act.**
3 _____