

Chair Nathanson, Vice Chairs Reschke and Walters, and members of the House Revenue Committee

February 11, 2025

The Oregon Law Center urges your support for HB 2090, extending the sunset from 2026 to 2032 for the Manufactured Dwelling Park Closure Tax Credit.

This credit is a refundable tax credit of \$5,000 for homeowners of manufactured dwellings who rent space in a MD park (defined as four or more spaces for rent) and who are displaced when a park closes.

There is a related statute (ORS 90.645) which requires landlords who close their MD parks to pay their displaced tenants between \$7.9k and \$13.3k for singlewides, doubles, and triples (indexed for inflation). Because MDs are too old to move, there are no other places to move them to, or the costs to move (tens of thousands of dollars to move furniture and personal goods, break the home down, transport it, and reassemble it) are so great, in almost all cases the homeowners will lose their MD. This tax credit and the landlord payments are far less than the pre-closure value of the MD, but they do help the homeowners.

Both of these provisions – the tax credit and the landlord payment – were proposed and championed by a coalition of MD park landlords and residents in 2007, in a bill that I negotiated and drafted. In addition, the tax credit was an amendment/improvement on a 2005 bill (HB 22389) which was promoted by a similar but smaller group led by Rep. Jerry Krummel, R-Wilsonville, himself a former MD park homeowner. In both 2005 and 2007 MD park residents were fearful of a national trend of park closures, when developers in Oregon and other states were cold-calling park landlords and offering buckets of money to buy, close, and redevelop parks as another, higher-end residential use. While

LRO's data shows that the closure threat is now far less, this is still a concern of park residents.

I would be happy to answer any questions committee members may have. Thanks for your consideration.

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