

House Bill 3007. Sponsor: Rep. Nancy Nathanson
Preserving Affordable Housing in Manufactured Home Parks
“Opportunity to Purchase”

In 2007 we passed legislation allowing residents of manufactured home parks to form associations or co-op’s to purchase their park – so they could remain in their home and keep their neighborhood intact. In 2009 we added meaning to that action, giving them a crack at buying the park. In short, an owner must notify the residents of intent to sell, and give time to the residents to come up with an offer to buy the park. If they can match the offer, their offer must be considered first. The owner is able to sell in either case, but this added a tool to help keep existing neighborhoods intact, and prevent the loss of some of Oregon’s most affordable housing. We know that the existing statute is imperfect, and both residents *and* park owners will benefit from clarifying the process and putting some sideboards on it.

There are 63,133 manufactured or mobile home spaces in these parks in Oregon – nearly 900 of those are in my north Eugene district. This is affordable housing that already exists – let’s not lose it.

Most seniors in parks expect this to be their final home and plan accordingly. Some of the residents are the working poor, others are often vulnerable – medically, or financially. The residents often share a strong sense of community. The social network is strong, and supportive, helping people who may struggle without that network: low-income families, disabled and elderly persons. When a park is closed, a neighborhood – a community – is wiped out. Moving the home is often not an option, because they are unable, or it is no longer suitable to be moved, or there is no place to move their home to.

In certain situations, this bill will help preserve neighborhoods, save pain and suffering, and save money.

Since 1997, there have been at least 68 park closures in Oregon -- a loss of 2,713 spaces. But we’ve also seen mobile home parks preserved: since 2006, 7 parks were purchased by a homeowner co-op or a non-profit organization (St. Vincent de Paul), preserving 294 homes.

Under current law, a developer can make an offer on a park and the landlord can agree and the park can be closed and cleared one year after giving notice. What happens to the residents? It’s hard to say, but we can reasonably say that many of the most vulnerable residents, who depended on neighbors for helping with daily living, will be unable to relocate their home to another park, and unable to find suitable housing with that social network, and will end up moving into nursing homes or assisted living facilities – at a great cost to their happiness, a cost to their health, and additional cost to the state as well. Just one example: 297 tenants were displaced in 2008 when the Thunderbird home park closed in Wilsonville. Based on conversations with *just one* case worker, three of those

House Bill 3007. Sponsor: Rep. Nancy Nathanson
Preserving Affordable Housing in Manufactured Home Parks
“Opportunity to Purchase”

residents went from receiving in-home care at an average yearly cost to the state of \$5000 per person, to assisted living facilities, at more than double the cost (\$11,000). These figures add up quickly.

Closing

We say we value home ownership; we should be prepared not only to encourage home ownership, but to step in **and help people keep the homes they already own, and keep them in the neighborhoods in which they live.** Moving is often not a viable option- either financially, or logistically. When Oregon first started legislating to help mobile home park tenants – and remember, they are tenants of the property, but they own their home- most mobile homes were just that, they were mobile. In the intervening decades, the mobile homes aged, and the structures weakened. Building codes changed, and the manufactured home industry grew. These affordable homes are now built in a factory and moved to a site. Many of the older *and* newer mobile or manufactured homes are really not, or no longer, movable. Even if the home were moveable, there may be no place to move it to. And if there were places to move to, then all of the investments in street lighting, landscaping, and years of friendships and mutual neighborhood support are lost.

Preserving affordable housing is far less expensive than developing new affordable housing. This bill gives the tenants the opportunity to work together to keep their homes and preserve their neighborhoods. The cost of having so many people displaced becomes more of a burden for the state. It has the potential to cost a significant amount to put displaced tenants in new low-income housing, or support the cost of uprooted residents who then enter nursing homes.

This bill will help preserve neighborhoods, and save money. I ask for your support. Thank you.