

March 4, 2019

To: House Human Service and Housing Committee

Chair Keny-Guyer
Vice-Chair Noble
Vice-Chair Sanchez
Rep. Helt
Rep. Meek

Rep. Mitchell
Rep. Schouten
Rep. Williams
Rep. Zika

Re: HB 2894 – Pilot Subordinate Loan Program
HB 2895 –Decommissioning Old Homes Pilot Grant Program
HB 2896 –Allocation for Acquisition Fund for Manufactured Home Parks

Dear Committee Members:

We are writing to express our support for HB 2894, HB 2895 and HB 2896. These bills will help increase the affordable, energy efficient housing stock in Oregon.

Collectively, we serve millions of Oregonians across the state, thousands of whom live in manufactured housing built prior to the establishment of important construction codes and energy standards. These homes are extremely inefficient to heat and cool, leading to higher than average utility bills and homes that are too hot in the summer and too cold in the winter. In fact, as identified in the *“Ten Year Plan: Reducing the Energy Burden in Oregon Affordable Housing”* by Oregon Housing and Community Services, Oregon Department of Energy, and the Oregon Public Utilities Commission, pre-1980 manufactured homes typically use 70 percent more energy per square foot than a standard home. The age of these homes, combined with the poor design and construction materials, makes replacing them with above-code energy efficient units the most cost-effective option, especially when considering other health benefits.

We have already seen the benefits of manufactured housing replacement. OHCS recently authorized community action agencies to use weatherization dollars, which are collected from PGE and Pacific Power customers to be used in their service areas, to help fund manufactured housing replacement. BPA has a similar program for consumer-owned utilities. The ETO, which is funded by customers of Portland General Electric, Pacific Power, NW Natural and Cascade Natural gas, has a manufactured home replacement pilot. And, NW Natural also has funds available through its own low-income program. However, when considering the size of the problem and the replacement cost of each unit, funding is limited (up to \$20,000 from OHCS for PGE and Pacific Power territories; up to \$7,500 from BPA in addition to individual consumer-owned utilities’ programs and funds; and up to \$11,000 through NW Natural’s program), making additional funding sources and partners necessary to make replacement possible.

The funding options provided by these bills would enable more low and moderate-income families to feasibly replace their substandard housing with new, affordable housing and will promote greater energy efficiency, reduce green-house gas emissions, and spur progress towards the state’s energy burden reduction goals. We urge your support.

Respectfully:

