A BILL FOR AN ACT

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

SECTION 1. (1) As used in this section:

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

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

(2) The Housing and Community Services Department shall provide one or more loans to nonprofit corporations to create manufactured dwelling park preservation programs that invest in, and provide loans for, the preservation and affordability of manufactured dwelling parks in this state.

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

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

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

(c) Meets other requirements established by the department regarding financial risk and availability or accessibility of additional resources.
(4) An eligible nonprofit corporation, with input from the department, shall develop a manufactured dwelling park preservation program that:
   (a) Invests in, and loans funds to, other nonprofit corporations, housing authorities, manufactured dwelling park nonprofit cooperatives as defined in ORS 62.803, local units of government as defined in ORS 466.706, agencies as defined in ORS 183.310, or any entity in which a nonprofit corporation has a controlling share, to purchase or refinance manufactured dwelling parks that will maintain the parks as parks long term;
   (b) Emphasizes, when providing loans under paragraph (a) of this subsection, the financing of parks whose residents are predominantly members of households with income less than average income; and
   (c) Preserves the affordability of the park space rent to park tenants who are members of households with income less than average income.

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

(6) An eligible nonprofit corporation shall ensure that all financial activities of the program are paid from and into the park preservation account created under subsection (5) of this section. Each nonprofit corporation shall report to the department no less than semi-annually, showing the expenses and incomes of the park preservation account and the results of the manufactured dwelling park preservation program.

(7) A loan made by the department under this section:
   (a) May require the nonprofit corporation to pay interest.
   (b) May not require the nonprofit corporation to make any loan payments before the maturity date of the loan.
   (c) Must have a maturity date of no later than September 15, 2036.
   (d) May have its maturity date extended by the department.
   (e) Shall have all or part of the unpaid balance forgiven by the department in an amount not to exceed the losses incurred on investments or loans made by the nonprofit corporation under subsection (4)(a) of this section.
   (f) May include such agreements by the nonprofit corporation practical to secure the loan made by the department and to accomplish the purposes of the program described in subsection (4) of this section.

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

SECTION 2. No later than September 15, 2021, and no later than September 15 of each odd-numbered year thereafter, the Housing and Community Services Department shall report, in the manner provided by ORS 192.245, to the appropriate interim committee or committees of the Legislative Assembly on the implementation of the manufactured dwelling park preservation program created pursuant to section 1 of this 2019 Act.

SECTION 3. Section 2 of this 2019 Act is repealed on January 2, 2038.

SECTION 4. In addition to and not in lieu of any other appropriation, there is appropriated to the Housing and Community Services Department, for the biennium beginning July 1, 2019, out of the General Fund, the amount of $3,000,000 for the administration and funding of the loan under section 1 of this 2019 Act.
SECTION 5. This 2019 Act takes effect on the 91st day after the date on which the 2019 regular session of the Eightieth Legislative Assembly adjourns sine die.