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March 12, 2021

VIA E-MAIL
(Rep.JulieFahey@oregonlegislature.gov)

Representative Julie Fahey, Chairperson
Oregon House Committee on Housing

VIA E-MAIL
(Rep.WInsveyCampos@oregonlegislature.gov)

Representative WInsvey Campos, Vice Chairperson
Oregon House Committee on Housing

VIA E-MAIL
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Representative Lily Morgan, Vice Chairperson
Oregon House Committee on Housing

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Representative Pam Marsh, Member
Oregon House Committee on Housing

VIA E-MAIL
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Representative Mark Meek, Member
Oregon House Committee on Housing

VIA E-MAIL
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Representative Courtney Neron, Member
Oregon House Committee on Housing

VIA E-MAIL
(Rep.SuzanneWebber@oregonlegislature.gov)

Representative Suzanne Webber, Member
Oregon House Committee on Housing

VIA E-MAIL
(Rep.JackZika@oregonlegislature.gov)

Representative Jack Zika, Member
Oregon House Committee on Housing

**Re: Oregon Park Owners' Alliance
Opposition to HB 2580**

Dear Representative Fahey and Committee Members:

This firm represents the Oregon Park Owners' Alliance (known as "OPOA"). OPOA is a non-profit organization which represents manufactured dwelling park owners throughout the State of Oregon. It has been a member and stakeholder of the Oregon manufactured dwelling park legislative coalition group since 1999. We represent parks with approximately 6,500 spaces throughout the state. We also represent park owners whose parks were destroyed in the fires of last September.

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Since the spring of 2020, laws enacted to protect park residents from eviction for nonpayment have left park owners struggling to pay their bills. They have been unable to require that rents be collected; indeed, numerous residents are now almost one year behind as to payment of rents owed to park owners.

Park owners currently have the ability to set the rent for an incoming tenant at a level which it negotiates with a new resident. There is an opportunity to set the rent at a level which is “at market,” or competitive with rents charged by other park owners. As park owners do not want vacancy, they are careful not to set new rents above what the market will allow. A prospective tenant is free to rent elsewhere if he or she believes the rent is too high.

HB 2580 fails to recognize that many of the smaller and mid-level parks and marinas already have rent levels that are significantly below market. ORS 90.600 (or rent control) prevents them from raising their rents more than once per year, and then not to exceed the statutory limit. They would thus be unable to make up for this additional loss of income for years, if ever, especially for smaller parks which already operate within very tight margins.

However, a rent level which is at market allows the park owner to recapture some of the losses they have had to sustain as a result of COVID-19 pandemic-related laws; losses sustained from wildfires, and more recently, from extensive tree damage. As the rent for a new, incoming tenant can be higher than what is charged to existing tenants, HB 2580 would result in an even greater loss of income. This loss would translate into a significant, additional disincentive to stay in an industry which has already become highly regulated and expensive to navigate.

As to park owners who lost their parks in the wildfires last September, HB 2580 would result in a significant disincentive to rebuild their communities. If they are precluded from recovering their losses, sale of the park property for the development of something other than a manufactured dwelling park facility becomes increasingly attractive.

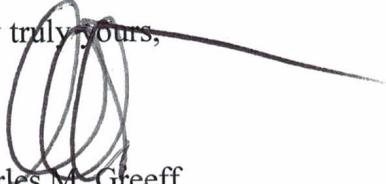
HB 2580 would adversely affect existing parks by reducing their ability to maintain common areas and amenities held out for the use of the residents. It makes no sense to force existing park residents to suffer such a reduction for the sake of new incoming residents who are not “captive” but can choose to rent elsewhere.

Finally, HB 2580 targets park and marina facilities. It has no effect upon apartments, RV tenancies or “stick built” tenancies. Those landlords would continue to have the ability to set the opening rent at whatever level they would like for an incoming tenant. The proponents of HB 2580 fail to recognize this lack of fundamental fairness, penalizing park and marina owners. Park owners – especially those who are seeking to rebuild their communities and recover from COVID-19 related losses – need incentives, not penalties.

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For these reasons we would ask that you vote "do not pass" as to HB 2580.

Thank you for your consideration.

Very truly yours,

Charles M. Greeff

CMG:vn
Alliance\Letter Rep. Fahey 01
cc: Oregon Park Owners Alliance (via e-mail)
Mr. Gary Oxley (via e-mail)