

Paul Brewer's Oral Testimony that I was unable to deliver at Monday's Legislative Committee Hearing due to the short time allocated for Public Speakers. This oral testimony is a supplement to my written testimony which was earlier sent. I have attached it here as well.

Representative Marsh, Committee Members

My name is Paul Brewer

I want to first thank John Vanlandingham for his gracious comments about my parks and my management of them. It was entirely unexpected.

I grew up in Grants Pass in the 1960s. My dad was a painter, and my mother was a bookkeeper at a lumber company. Since my parents both worked my grandmother stepped in to help raise the family. My parents had their day job and did janitorial work in the evenings and weekends to help support the 5 kids. I have spoken about my family history many times in the past with Pat Schwoch when she was alive and John Vanlandingham.

In 1970 I went to college at "SOC", now called Southern Oregon University in Ashland. Since my parents did not have the financial resources to send me to college, I worked full time in White City at night at a lumber mill. I graduated after 5 years with 2 degrees in Business and Criminology.

After receiving a job offer in Southern California in 1975, I moved but was laid off a year later. I went into Real Estate in 1976. Most of my family still lives in Southern Oregon.

In 1987, I formed a small group of investors and purchased Talent Mobile Estates, about two miles from my parent's home. We were not the owners when that Park burned a few years ago. I understand Casa of Oregon is involved in the tenant purchase and the rebuilding of that park.

My next purchase was in 1988 in Grants Pass. It has not been my best investment, but it still feels like home as I grew up about 3 miles away. I expanded that park from 75 to 93 spaces and built a Clubhouse as HUD in the late 80s or early 90s required Senior 55+ parks to provide significant facilities. They later reverse course but by then the Clubhouse was built.

My last Park purchase was in 1992 in McMinnville which I still own. It is next to the Evergreen Aviation Museum. The Park was comprised of 165 spaces, a Clubhouse, and a small pool. Six months after I purchased the Park, six Swat cars drove in to bust up a Meth Lab at one of the spaces. I wondered what in the world I had purchased. You can imagine the cost of cleaning up that space and the removal of the home. In 1997 and during Covid I expanded the park to 204 spaces and built the park a new larger pool. We are currently working on filling those spaces. Last year, I expanded a separate RV Park section to 108 spaces and built a Clubhouse and Pool for the RVers. The RV Park is focused on daily and weekly vacationers that visit the Yamhill County wineries and Evergreen Aviation Museum. I also built 2 Pickleball Courts for both the Mobile Home Park and RVers to enjoy. Unlike most Parks, this facility has a lot of open space to maintain.

Both of my Parks are extremely expensive to operate and are mentioned in my written testimony. I am proud of the quality and amenities offered by both Parks. However, I will not be able to maintain that quality or even heat the pool if this bill passes.

In closing, I ask this Committee to read my written testimony and **vote NO on HB 3054**

Thank you

To: Chair Representative Pam Marsh and Committee Members

RE: Written Testimony from Paul Brewer in **Opposition** to HB 3054

I currently own two Parks in Oregon. I previously owned four but sold two, which I exchanged into assets in Austin and Denver.

The two Parks I currently own are a 93-space park in Grants Pass that I purchased in 1988 and a 204-space park in McMinnville that I purchased in 1991. I believe and have been told that my Grants Pass Park is the nicest in Southern Oregon. My park in McMinnville is in the same category. Both are senior 55+ parks. During the pandemic I expanded my McMinnville Park. It would be nice if Legislators spent the time when they are not in session to at least drive through some parks. I would love and welcome this committee to visit my parks. My Grants Pass Park is near Representative Marsh's district and my McMinnville Park is near Representative Mannix's district.

I have, at tremendous expense, significantly upgraded and expanded both Parks. I have homes in Grants Pass selling for \$285K to \$350K and about \$275- \$295K in McMinnville. Those homeowners expect the park ownership to maintain the facility. They also expect their neighbors to maintain their homes and space, otherwise their homes will decrease in value.

The State needs to consider the following:

- The Electrical rate or cost of electricity (State recently approved of an 8.9% increase)
- Water/ Sewer and other utility increases are not limited to CPI
- Property Tax increases of 3% annually plus any Bond assessments passed by voters
- Insurance rates have increased dramatically. Olde Stone's renewal went up by \$8,000
- Labor and material increases have radically increased
- Maintenance costs, including third party landscape costs
- Last year I had to replace four sewer pumps at my Grants Pass Park on three different occasions due to seniors flushing down adult diapers. The sewer pump specialist said years ago diapers would not flush but now they are so thin, they flush but will not go through even grinder pumps because they are comprised of fiber. The cost was over \$30K.

If HB 3054 passes, I will not be able to afford to run or maintain my parks as I have done in the past. Specifically, please note the following:

Westlake Village

- The Entry Gates will be left open and electric gate openers, and the internet will be shut down.
- Lake treatment will cease. Twenty years ago, we had no problems with Algae, but today we do, and it is very expensive to treat. Too much duck and geese poop. All lake treatment will cease. Take a peek at www.WestlakeVillageNW.com for a Lake view!
- Maintenance will decrease and use of our third-party Landscape Company will be scaled back. We will no longer be proactive and will by necessity take the approach of "if it's not broke, don't fix it."
- Two water features will be drained and filled with sand as the cost of electricity and maintenance is about \$1000/month.

- Streets will not be seal coated as planned this summer.
- Internet and Cable TV will be shut down in the Clubhouse.
- The Clubhouse HVAC system will be heavily regulated. Summer thermostat will be set at 79, winter set at 68/69. Bring a jacket.
- Pay raises for Manager, et al. will be less often causing lower morale with more turnover!
- Xmas Cards to Tenants, including contributions to Tenant's functions will cease

Olde Stone Village

- Roads (over 1.5 miles) need to be ground and overlaid with new asphalt. Twenty-five years ago, the roads were paved with a concrete mix in 12 inches of soil, plus 4 inches of gravel, and then three inches of asphalt. The cost was \$1 million dollars. With McMinnville's high-water table, roads there do not last forever. Park roads will end up just being patched.
- New Exercise Equipment was added in the Clubhouse last year. Plus, I just had Sport Court of Oregon build two regulation size Pickleball Courts. No new amenities will be added.
- The Park currently has 3 Maintenance personnel plus 2 Managers. Staff will be severely cut back, which will mean maintenance will be either eliminated or slow to repair. Pay raises will be less often causing lower morale with more turnover!
- Heat on the Pool will be lowered or turned off
- Xmas Cards to Tenants, including contributions to Tenant's functions will cease

My concern is that Tenants that paid "high prices" for their homes and expected the appearance and services of the park to remain will be greatly disappointed if this bill passes.

What Oregon needs to do is what Austin, Texas did during the pandemic. Every time I went to my property in Austin another skyscraper shot up with apartments. They built about 50K apartment units plus other housing during the pandemic. Now rents and house prices are declining due to overbuilding. Oregon needs to open more land for construction and let the markets correct the imbalance.

I believe this "bill" is discriminatory in that it only effect Parks and not all residential, including home prices. If the same controls were placed on home prices, maybe my tenants could then purchase a Committee Member's home in 5 years. Home prices are outpacing inflation.

In summary, park owners, myself included, cannot run our businesses if we cannot recapture our overhead and make a modest return. Many park owners get by on very tight margins as it is. The amenities park owners provide will by necessity need to be scaled way back if not eliminated. I also know one park owner who told me that he will seriously consider closing or abandoning his park if this bill passes. If that happens, those residents could easily be rendered homeless. This bill is one-sided, would be a disincentive to buy, expand, or develop a new park in this state, and would encourage homelessness and is bad for housing. **Please, therefore, vote "NO" on HB 3054.**

Thank you.

Paul Brewer
 Westlake Village, Grants Pass
 Olde Stone Village, McMinnville