



CERTIFIED GLOBAL BUSINESS PROFESSIONAL - CGBP EXAM PREP TRAINING

Increase your competency of international trade.

Do you want to go global with international trade? Become a Global Certified Business Professional and practice global business at the professional level required in today's competitive environment. Learn the ins and outs of international business and assist small business in their efforts to go global.



A 2 ½ day intensive training with the author of "The Global Entrepreneur: Taking Your Business International," James F. Foley

THE GLOBAL ENTREPRENEUR

Taking Your Business International

Fourth Edition

James F. Foley

November 12-13,
2019
9am – 6pm
November 14, 2019
9am-12pm

OSBDCN GLOBAL TRADE CENTER

WORLD TRADE CENTER ONE
2ND FLOOR TRAINING ROOM
121 SW SALMON, PORTLAND

971-722-5080
sbdcc@pcc.edu
www.BizCenter.org/PCC
www.facebook.com/pccsbdcc

Certified Global Business Professional is more than just an exam prep class.

NASBITE Accredited

The CGBP designation is accredited by the North American Small Business International Trade Educators (NASBITE) and recognized by the US Department of Commerce.

Valued & Respected

The CGBP credential is the advanced level international trade credential, highly respected and sought-after in the international trade industry.

Topics:

- Global Management
 - Develop and/or assist with strategic and operational planning, development, implementation, and assessment of international aspects of business
- Global Marketing
 - Manage, implement, coordinate and/or assist with marketing, including planning, sales, research and support functions to assess customer needs
 - Evaluate opportunities and threats on a global scale
 - Meet corporate needs within environmental constraints and corporate goals
- Global Supply Chain
 - Evaluate all supply chain options which result in the best overall solutions to support the international business plan while complying with all rules, regulations, and security issues from sourcing to final distribution
- Trade Finance
 - Evaluate financial risks and methods, select and implement most favorable methods of payment to support global activities and ensure that all related costs are included at the time of quotation
 - Evaluate quantity and source of finance necessary to implement global activities
- Resources and data sources

Price is \$499. PCC offers payment plans. This price does not include the cost of registering for and taking the CGBP exam. For more information on exam fees please see the NASBITE website at www.nasbite.org.

Past participants have said:

"I was greatly pleased with the program and feel it will really make a difference in gaining the certification."

"Mr. Foley is the best presenter I've attended in years. Engaging, knowledgeable, etc. Excellent!"

"Just wanted to thank you for creating and supporting this training opportunity! It was an absolutely excellent training experience. Jim Foley's training was flawless. It was amazing to spend three days learning from him. This might be the first time I'm actually excited to study and prepare for an exam!"



About the instructor:

Jim Foley is an expert international sales and marketing trainer who serves as director of the Turner Center for Entrepreneurship and Illinois SBDC International Trade Center, Bradley University. He has worked for more than 20 years in international marketing, sales and corporate management. Jim is past president of NASBITE International and current national chair of the ASBDC International Trade Interest Section. Mr. Foley is a NASBITE CGBP Certified Trainer.

Learn more at <http://climb.pcc.edu/certified-global-business-professional-exam-prep-training-with-jim-foley>

The Portland Community College Small Business Development Center and Global Trade Center have helped thousands of businesses over the past 30 years. We combine one-on-one advising with programs taught by business experts, giving our clients the resources they need to grow their businesses. In 2017, we worked with over 500 small business owners, trained over 600 clients in a wide range of courses, and celebrated many successes. We'd love to celebrate your success.



Programs and services are provided to the public on a non-discriminatory basis. Language assistance services are available for limited English proficient individuals. Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. Please contact us at 971-722-5080 or sbdc@pcc.edu, to request accommodations. Oregon Small Business Development Centers are funded in part through a cooperative agreement with the U.S. Small Business Administration, and the Oregon Business Development Department.



Cover

Clackamas County Economic Development Commission (EDC)
Annual Report
2019

PRESENTED TO THE BOARD OF COUNTY COMMISSIONERS

DRAFT

EDC Overview

The EDC is a volunteer board that advises the Board of Commissioners (BCC) on policy pertaining to economic development across Clackamas County. It is supported by the Business & Community Services Department's Economic Development Division staff. Areas of focus for the EDC annual work plan are determined by the Board of Commissioners.

Mission

Our mission is to create prosperity by fostering balanced economic development in Clackamas County through a close partnership with government and the private sector.

Balanced economic development means providing county residents opportunities for better jobs and higher incomes, while managing the interrelationships among people, land, resources, and infrastructure. Implementing the vision requires detailed goals and action steps by the county.

Membership

The voting membership of the EDC shall consist of a maximum of twenty-five (25) voting members ("Members"), appointed by the BCC. A majority of the EDC Members shall be from the private sector.

Annual Report Purpose

Completed by staff

The EDC Annual Report is intended to recap the EDC's activities and discussions for the year. This may include policy recommendations or suggested strategies to enhance the economic prosperity of Clackamas County.

Economic Development Commission Roster

EXECUTIVE COMMITTEE

Chair, Charles Gallia, Health Services Research
Immediate Past Chair, Wilda Parks, Milwaukie City Council
Vice Chair, Dave Nielsen, Home Builders Association
Incoming 2020 Chair, John LaMotte, LaMotte West, LLC,
Vance Tong, Pamplin Media Group

Liaisons and Ex-Officios

Lynn Wallis, Oregon Employment Department
Bridget Dazey, Clackamas Workforce Partnership
Tammy Marquez-Oldham, PCC Climb Center
Tammy Stempel, Gladstone Mayor

Economic Development Staff

Jon Legarza, Interim Economic Development Manager
Cindy Moore, Economic Development Coordinator
Corina Copeland, Administrative Assistant
Sam Dicke, Economic Development Coordinator

Business and Community Services

Laura Zentner, Director

MEMBERS

Shannon Ilas, Keller Williams Realty Professionals
Tom Keenan, Keenan & Partners
John LaMotte, LaMotte West, LLC
Matthew Makara, Port of Portland
Melissa Womack, KPIT Technologies
Vance Tong, Pamplin Media Group
Michael Selvagio, Ridgelark Strategies
Peter Lund, Supergenious
Matthew Miller, Greater Portland Inc.
Kimo Rosa, Clackamas Federal Credit Union
William Gifford, Small Flags
Justin LaPointe, Better Body Fitness NW
Ravinder Waraich, Retail Franchise
Jeff Gudman, Private Investor
Lisa Davidson, Clackamas Community College
Joe Buck, Restaurateur
Laura Edmonds, North Clackamas Chamber of Commerce

Clackamas County Key Industry Clusters

The intent of economic development is to foster the growth of traded-sector industry clusters. Traded sector (also referred to as an export or basic sector) businesses include industries and employers which produce goods and services that are consumed outside the region where they are produced and therefore bring in new income to the area (e.g., metals and machinery, food processing). Workers in the traded sector tend to have higher educational attainment, work more hours, and earn higher average wages.

As the traded sector increases employment and wages, it also enables entrepreneurs to develop skills and resources to foster innovation and start new businesses and increase employment opportunities. Furthermore, certain traded sector companies foster a supply chain effect that creates the need for additional companies to supply components of a product that is manufactured.

Clackamas County is strong in the following clusters as indicated by the number of employees and the Gross Domestic Product (GDP), which is the annual contribution of an industry, measured by employee compensation, proprietor income, other income and tax payments.

Clackamas County Key Industry Summary

Industry	Example Companies	GDP	Number of Employees	Average Wage
Professional Business Services	Jacobs Engineering, ADP, 3D Systems	\$3.3 billion	36,001	\$36,433
High Tech Manufacturing/Software & Media	Rockwell Collins, Flir, Mentor Graphics, Shimadzu, Dark Horse Comics, Autodesk	\$2.7 billion	13,543	\$90,254
Wholesale Trade, Transportation & Utilities	J&D Refrigerated Services, Con-way Freight, Fred Meyer Distribution, Sysco, Pacific Seafood	\$2.2 billion	15,998	\$75,275
Health Care	Kaiser Foundation Hospital, Providence Willamette Falls, Lebaczy Meridan Park	\$1.6 billion	15,176	\$80,710
Advanced Manufacturing - Metals & Machinery	Blount, Benchmade, Precision Castparts	\$980 million	7,602	\$78,564
Agriculture, Nurseries & Greenhouses	J Frank Schmidt, Mckenzie Farms, Willamette Nurseries	\$227 million	7,106	\$23,374
Food & Beverage Processing	Bob's Red Mill, Dave's Killer Bread, Ever Fresh Fruit	\$200 million	2,240	\$61,759
Wood Manufacturing	Brentwood, Interfor Pacific Inc., Precision Roof Trusses	\$78 million	938	\$59,489

Source: Clackamas County Economic Landscape Emerging Trends Update, FCS Group, 2019

2019 Topics and Issues Studied

The EDC was directed by the Board of Commissioners to explore redevelopment opportunities along the McLoughlin Corridor and supporting issues. The following summarizes the presentations throughout the year, with a more detailed analysis on the following pages.

McLoughlin Corridor

- *McLoughlin Corridor Development Readiness Presentation on the History of Clackamas County Efforts* | Dave Queener, Development Agency Program Supervisor Development and Transportation Department Clackamas County
- *Park Avenue Update* | Karen Buehrig, Transportation and Development, DTD Long Range Planning, Clackamas County; John Southgate, Project Manager, Business and Community Services, Economic Development, Clackamas County; and Alisa Pyszka, Bridge Economic Development
- *McLoughlin Historic Corridor Studies* | Gabriella Frask, Mackenzie

Infill and Redevelopment Opportunities

- *March Bus Tour* | City of Milwaukie, River Road Area and City of Gladstone
- *County Fee Comparison* | Gabriella Frask, Mackenzie
- *August Bus Tour* | North Urban Clackamas Prosperity Zone, Dan Chandler and The Athena Group

Infrastructure

- *Regional Transportation Measure Update* | Councilor Christine Lewis, Metro
- *TriMet Service Enhancement Plans/HB2017 Impacts on Existing Services* | Eve Nilenders, Planner, TriMet Planning & Policy Development

Industry Cluster Development

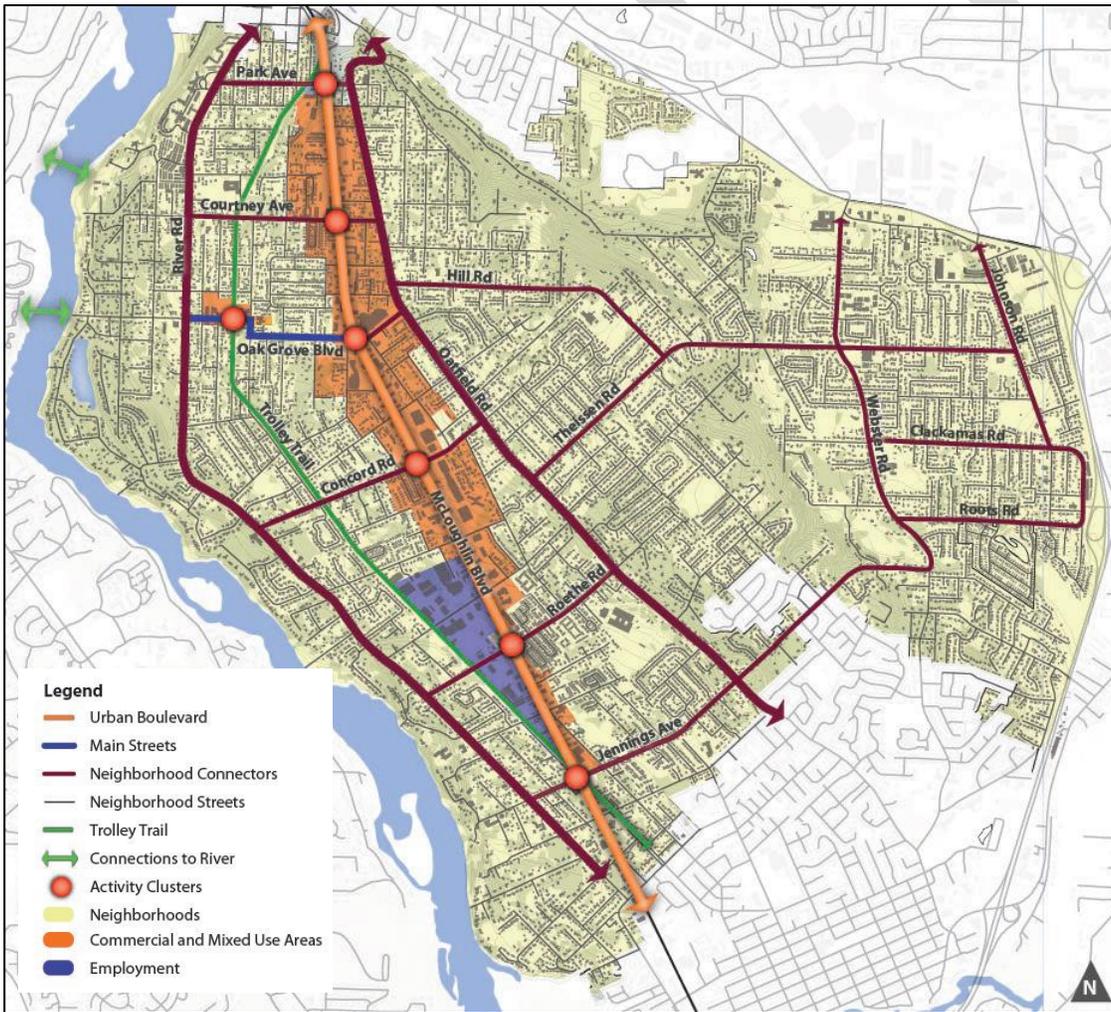
- *Economic Landscape* | Tim Wood, FCS Group

McLoughlin Corridor

The Board of Commissioners directed the EDC to focus on the McLoughlin Corridor in 2019 to explore how to foster more private investment. The EDC started the year with a presentation from Dave Queener, Clackamas County Development Agency to understand the current level of engagement and planning for the corridor. He explained that McLoughlin Area Plan (MAP) consist of the following area, which is bisected north-south by 3.7 miles of McLoughlin Blvd and serves 35,780 residents within the communities of Oak Grove, Jennings Lodge and Oatfield Ridge. The area consists of 3 CPOs: Oak Grove, Jennings Lodge and North Clackamas.

The MAP also prioritized 56 potential projects and programs identified through citizen participation. The Plan is implemented through the McLoughlin Area Plan – Implementation Team (MAP-IT), which consists of 15 residential and business volunteers. The corridor is also represented by the McLoughlin Area Business Alliance (MABA), which consists of 200 member businesses.

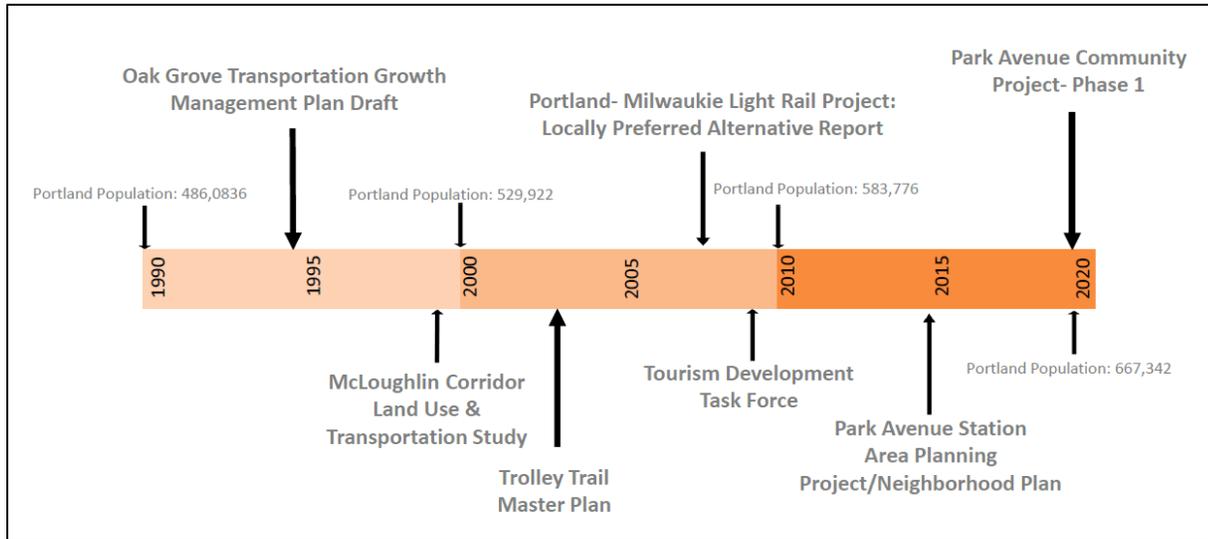
McLoughlin Area Plan (MAP)



Source: Clackamas County

Over the years there have been studies of the corridor, which is summarized in the following graphic. All of the historic studies of the corridor emphasize that pedestrian and bike connectivity and the need to break up the development pattern along McLoughlin are important.

History of McLoughlin Corridor Studies



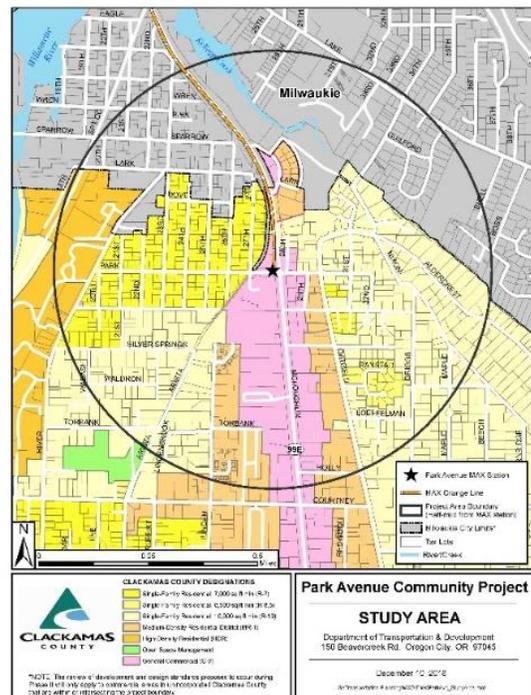
Source: Mackenzie

The most current project along the corridor is the Park Avenue Community Project, which pertains to a ½ mile radius around the Park Avenue light rail station. This “node” of a mixed-use community is a concept that the EDC recommends should be replicated along corridor. Research pertaining the Park Avenue project indicates that there has been minimal growth and private investment in the area over the past 10 years. The project will address this limited investment with a framework plan, new design and development regulations, and an implementation plan for strategic public projects that will encourage new private investment while continuing to support existing businesses and residents.

How it Impacts Economic Development

- There is an opportunity to explore how each industry cluster relates to the nodes along McLoughlin.
- As retail trends change and move away from auto-oriented big-box stores there is an opportunity to redevelop the corridor with employment uses.

Park Avenue Study Area



Source: Clackamas County

Recommended Action

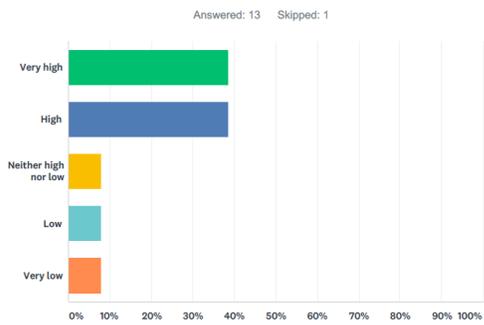
- Economic Development staff should to consider the MAP area for an Economic Opportunities Analysis (EOA) that corresponds with a comprehensive plan update.
- Economic Development staff should work with local community groups to help facilitate business assistance and educate local businesses about resources and programs.

DRAFT

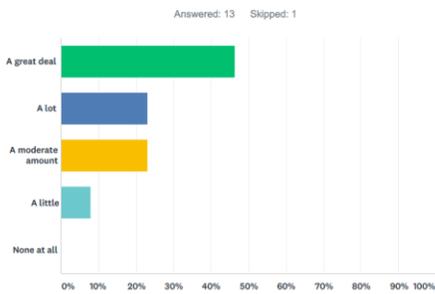
Infill and Redevelopment Opportunities

To better understand how infill development could occur in the future nodes, the EDC toured new developments in the City of Milwaukie, along River Road and in the City of Gladstone in March. One message that was conveyed was the impact of minimum parking requirements on the cost of development as evidenced by the Coho Point at Kellogg Creek residential project in Milwaukie. As follow up to the March bus tour, there was a consensus from EDC members that there is more interest in better understanding Main Street Programs and the planning and zoning practices of the communities.

Q2 What is your level of interest for learning more about Main Street programs for these communities?



Q5 How important would it be to learn about the planning and zoning of these communities?



In July, Mackenzie gave a presentation on fee comparisons across the region. Sometimes if permit and System Development Charges (SDC) are exceedingly high for a community, they can pose a barrier to private investment. However, based on the presentation it is clear that Clackamas County has an average fee cost for a new employment development project, therefore this is not a barrier to investment.

Total Fee (Permits and SDC) Cost Per Building Square Foot by Regional County

	Clackamas	Washington	Portland/Multnomah	Clark
4-story office	\$9.45	\$12.87	\$12.41	\$6.61
Warehouse	\$5.19	\$6.01	\$3.69	\$2.03
Manufacturing	\$6.02	\$6.95	\$9.38	\$5.25

Source: Mackenzie

The County has identified the North Urban Clackamas Prosperity Zone (PZ) as a community wealth building area to enhance access to jobs and business growth. On the tour it was recognized that sites in Prosperity Zone were accessible via transit and walkable making them more accessible to low-income residents. Future investments in PZ should include day care facilities, entrepreneurial support.

INSERT MAP OF North Urban Clackamas Prosperity Zone

How it Impacts Economic Development

- There is an opportunity to work with partners such as Clackamas Community College to create maker space on underutilized sites such as the former Toy R Us location to implement a Prosperity Zone concept.

Recommended Action

- EDC should make recommendations on zoning to encourage infill development in node areas
- EDC should visit other “community wealth building” areas in Canby and Estacada.
- ED Staff should evaluate entrepreneurship programs available in the County and how they pertain to Prosperity Zones.

Infrastructure

Metro Councilor Christine Lewis provided an update the regional transportation funding measure that could go before voters in November 2020. The transportation projects of most significance for Clackamas County that may be contained in the measure include: _____. It may be possible to include a project that would provide additional stories on the Park Avenue Park N' Ride garage facility to accommodate the demand that is currently using the Elks' parking lot or local streets.

Tri-Met provided an overview on service enhancements within the Southeast Plan Area, which includes the McLoughlin Corridor. It was conveyed that transit ridership on McLoughlin is lower than 82nd Avenue. Why?

Anticipated improvements within the McLoughlin area include:

- Line 32: Oatfield - Sunday Service (FY 2020)
- Line 79: Clackamas/Oregon City - route change (FY 2020)
- Line 99: Macadam/McLoughlin – add midday service (FY 2023)
- Line X: New bus line - east-west service along Jennings, Hwy 212, and Sunnyside Rd, between Oregon City and Happy Valley (FY2023)



Source: Metro

How it Impacts Economic Development

- Infrastructure investment is an important tool for fostering private development.
- Frequent and convenient bus service is an important asset to businesses wanting to retain and attract employees, especially in Prosperity Zones.

Recommended Action

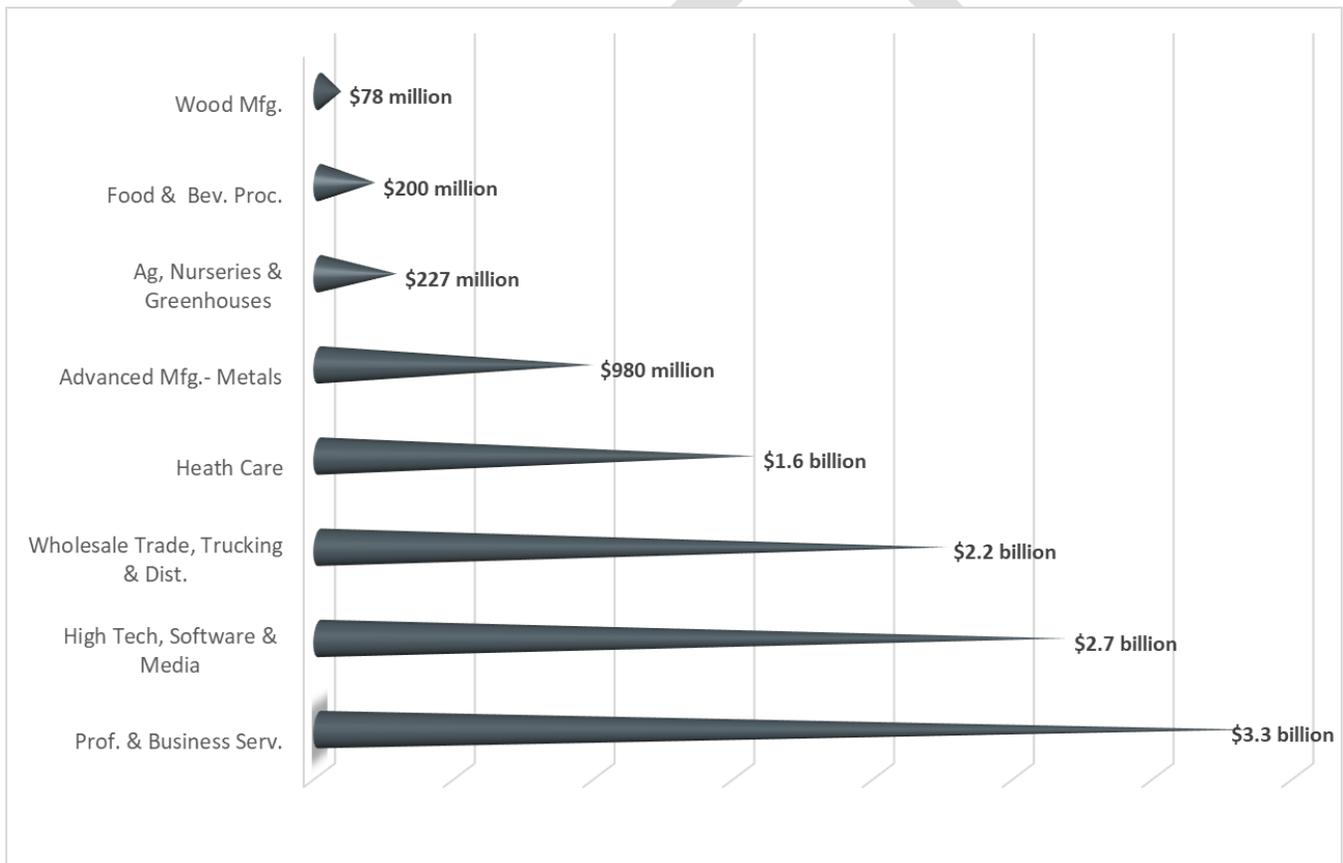
- ED Staff explore urban renewal in nodes to fund necessary infrastructure.

Industry Cluster Development

FCS Group provided an annual update on trends pertaining to the Key Clusters within Clackamas County. Over the years, the county has evaluated the Gross Domestic Product (GDP) impact of cluster on the county. The GDP is annual contribution of an industry, measured by employee compensation, proprietor income, other income and tax payments. The 2019 annual direct GDP impact of each industry is summarized below. Fastest GDP growth occurring in the following clusters:

- Advanced Manufacturing: Metals & Machinery
- Health Care
- High Tech, Software & Media Production
- Wholesale Trade, Trucking & Distribution

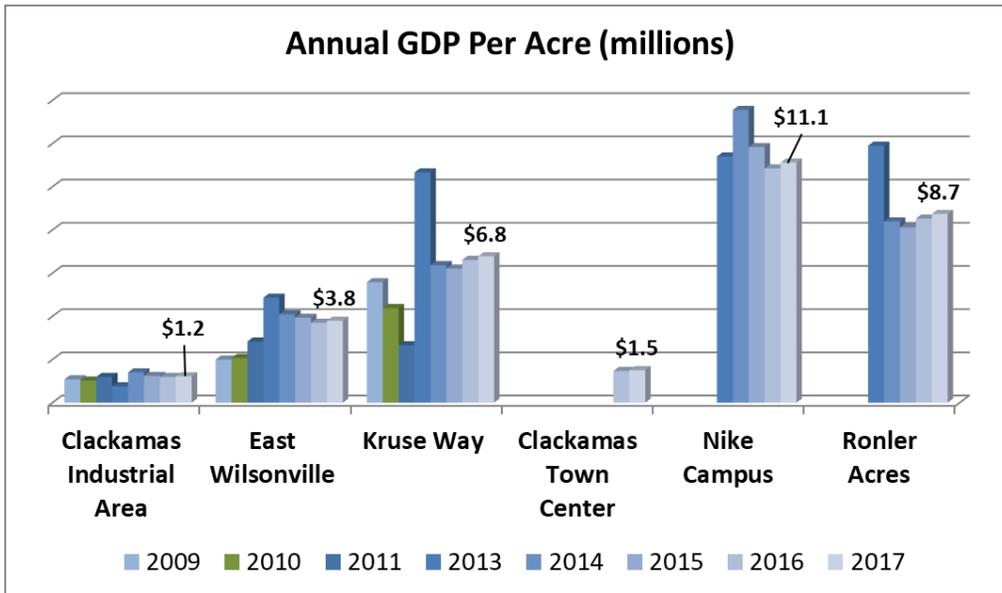
Clackamas County Key Clusters: 2019 Annual Direct GDP



Source: FCS Group

Where the GDP is generated in the county can be measured. As indicated below, an industry such as professional and business services is generally located in Kruse Way. It can then be inferred that this industry generates a GDP of \$6.8 million per acre. For contrast, GDP of Intel is approximately \$8.7 million per acre, whereas Nike is \$11.1 million per acre.

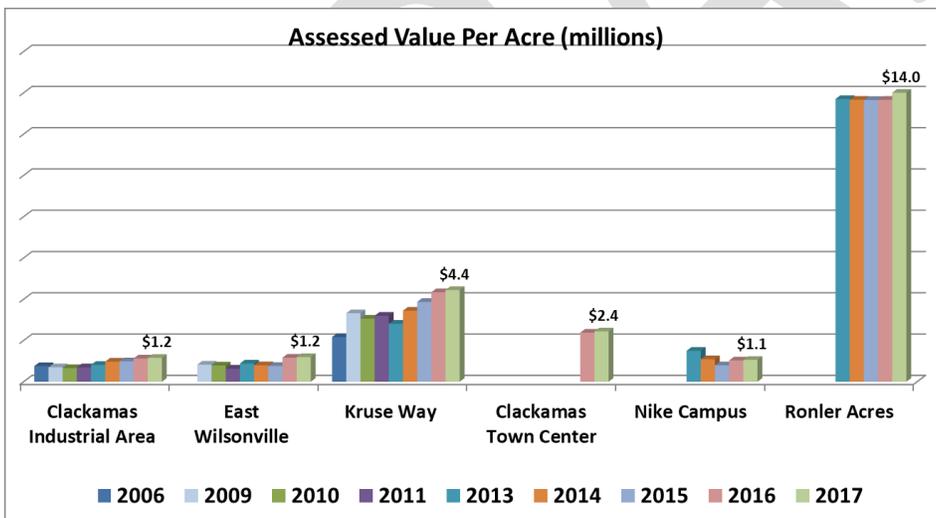
Employment Areas: GDP metrics



Source: FCS Group

However, strong GDP output does not directly correlate with strong assessed value (AV) metrics as indicated below with the Nike comparison.

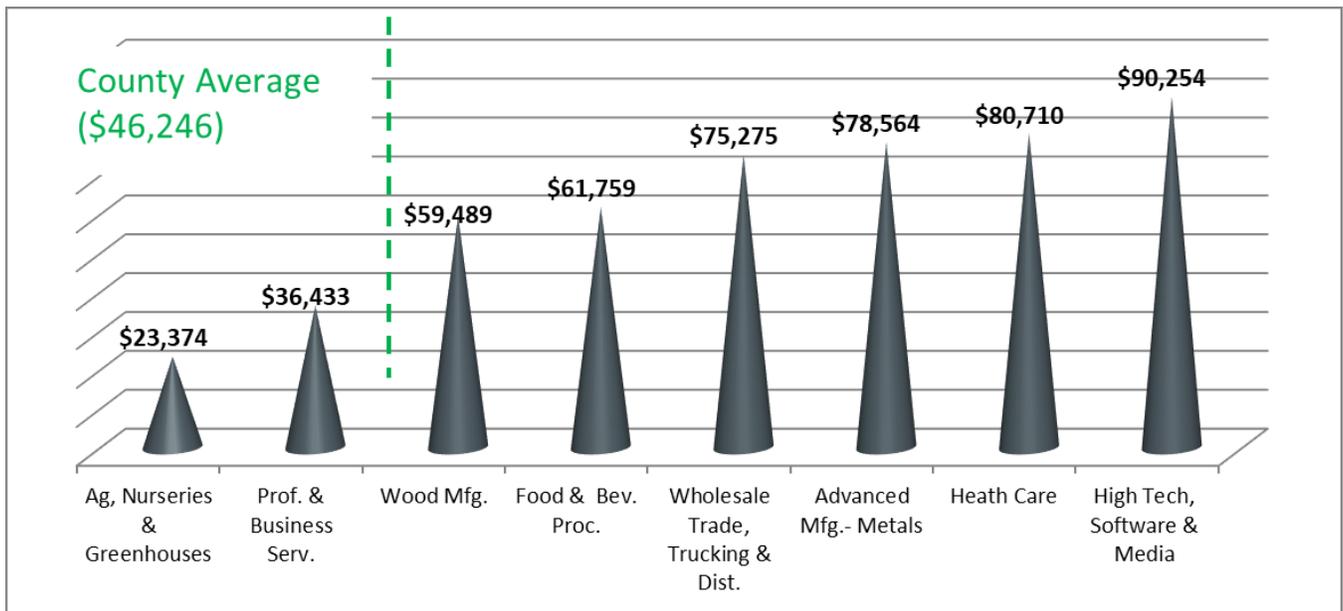
Employment Areas: AV metrics



Source: FCS Group

Average employee compensation rose 2% between 2016 and 2017. Many key clusters pay above the average county compensation of \$46,246.

Clackamas County Key Clusters: Average Compensation Levels



Source: FCS Group

How it Impacts Economic Development

- Strong GDP directly impacts the county through ??? (higher property taxes?). Warehousing has strong GDP but low AV in the industrial area.
- Workers in the traded sector tend to have higher educational attainment, work more hours, and earn higher average wages. Fostering the growth of these industries improves access to wealth for the community.

Recommended Action

- ED Staff study which clusters are along McLoughlin. Could they grow more? What would it take?
- ED Staff work with planning department to align land use changes with cluster growth needs.

Suggested Focus for Next Year

EDC Focus

- Solicit more traded-sector industry representation on the EDC
- Continue to track and coordinate with BCC on Metro transportation measure
- Visit other “community wealth building” areas in Canby and Estacada.
- Propose recommendations on zoning to encourage infill development in node areas specific to the McLoughlin Corridor.

- **Suggested agenda items and/or presentations for EDC meetings** Report on how an Economic Opportunities Analysis (EOA) call apply to the MAP area and corresponding comprehensive plan update.
- Entrepreneurial program opportunities to support Prosperity Zones
- Storefront program opportunities to facilitate investment in Park Avenue node and Prosperity Zone
- Potential Urban renewal in nodes along McLoughlin
- Information on Main Street programs in Milwaukie and Gladstone
- Planning and zoning policies in Milwaukie and Gladstone that encourage infill development



September 25th, 2019

Metro T2020 Taskforce
600 NE Grand
Portland, Oregon 97232
getmoving@oregonmetro.gov

Dear Co-Chairs Pederson & Treece and Taskforce Members,

The Clackamas County Economic Development Commission (EDC) supports funding for Clackamas County's T2020 Corridors including Sunrise Gateway/212, C2C, McLoughlin and 82nd as well as OGLO (Oak Grove to Lake Oswego Bridge) and Highway 43. Investment in these corridors is critical to ensure a robust regional transportation system that will support the economic viability of Clackamas County, the Metro region and the State of Oregon.

The Sunrise Gateway/212 Corridor is critical to the economic growth of Clackamas County and our region as a whole. 14,000 jobs are projected in the Rock Creek Industrial Area (designated Regionally Significant Industrial Area) in the next 20 years. Investment in this corridor will provide the foundational infrastructure to support this economic opportunity. The proposed concept will allow through trips to utilize the new limited access 2-lane section and will transition existing 212 to an urban arterial. By separating trips to the appropriate facilities, congestion and greenhouse gas emissions will be reduced. This concept also includes design options to accommodate frequent transit including right of way purchase for a possible future dedicated lane and park and ride locations. Implementation of this concept will provide safer, more efficient transportation mode options for local businesses and residents.

The McLoughlin Blvd corridor has been the EDC's primary focus area this year. Investment in the McLoughlin Blvd corridor will stimulate the local and regional economy by providing opportunity for redevelopment of currently underutilized commercial, industrial and residential lands. Implementation of the proposed concept will provide safer crossings, more efficient transit service and more floors on the existing parking garage to support increased ridership on the max.

EDC is a 25 member advisory board made up of business representatives throughout Clackamas County. Congestion relief, mode options and freight mobility are critical to the continued growth and success of our businesses. The EDC firmly believes that investment in these corridors will provide significant improvements to our businesses' operational costs, employee quality of life, and business growth potential. We respectfully request that you include Clackamas County's corridors, especially Sunrise Corridor, McLoughlin Blvd, and C2C in the T2020 funding package.

Sincerely,

A handwritten signature in blue ink that reads "Charles Gallia".

Charles Gallia PHD, Chair
Economic Development Commission

**Exploring the Factors that Drive
Displacement Risk in Unincorporated
Clackamas County:
with a Special Look at
Manufactured Housing Communities**

August 2019

Prepared for: Clackamas County

Draft White Paper

This page intentionally blank

Exploring the Factors that Drive Displacement Risk in Unincorporated Clackamas County:

with a Special Look at Manufactured Housing Communities

Abstract

Clackamas County is in the Portland Metropolitan Region—an area experiencing unprecedented population growth and rising real estate prices. Clackamas County is working to understand the impacts of these changes for its residents. As part of a larger study on housing needs in Clackamas County, this paper explores two specific aspects of the housing market: (1) whether evidence of risk of housing displacement for renters in Unincorporated Clackamas County exists and (2) the role manufactured housing communities play in providing “naturally occurring” affordable housing in Unincorporated Clackamas County. The Authors do find evidence that risk of renter displacement is heightened in Urban Unincorporated Clackamas County. Manufactured housing communities are also at risk of housing displacement, acutely so in Urban Unincorporated. The study recommends policy options focused on preventing and alleviating the risk of housing displacement for renters in Urban Unincorporated Clackamas County and preserving manufactured housing communities in Clackamas County.

Acknowledgments

This project is partially funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

ECONorthwest Contact: Lorelei Juntunen, Partner and V.P. of Operations
Juntunen@econw.com

Beth Goodman, Project Director
Goodman@econw.com

Sadie DiNatale, Associate
Dinatale@econw.com

Clackamas County Contact: Dan Chandler, Assistant County Administrator
Dchandler@co.clackamas.or.us

ECONorthwest developed this paper in collaboration with Commonworks Consulting. Commonworks Consulting works at the intersection of affordable housing, community development, and land use planning.

Commonworks Consulting Contact: Andrée Tremoulet, PhD
andree@commonworksconsulting.com

Commonworks Consulting would like to acknowledge the numerous individuals who responded to questions and assisted with the project. In particular, we acknowledge:

- Bill Van Vliet and Rob Prasch, Network for Oregon Affordable Housing
- Loren Landau and Brett Case, Commonwealth Real Estate Services
- Ken Prior, Manufactured Communities Resource Center at Oregon Housing and Community Services



Table of Contents

1	EXECUTIVE SUMMARY	7
2	PURPOSE AND CONTEXT	9
3	DO WE FIND EVIDENCE OF RISK OF DISPLACEMENT FOR RENTERS IN UNINCORPORATED CLACKAMAS COUNTY?	13
4	HOW DOES MANUFACTURED HOUSING CONTRIBUTE TO HOUSING AFFORDABILITY?	29
5	POLICY SOLUTIONS: WHAT TYPES OF POLICY SOLUTIONS COULD CLACKAMAS COUNTY CONSIDER?	41
6	CONCLUSION	57
7	APPENDIX A. MANUFACTURED HOUSING COMMUNITIES IN CLACKAMAS COUNTY	64
8	APPENDIX B. GEOGRAPHIC LOCATIONS OF MANUFACTURED HOUSING COMMUNITIES	85

This page intentionally blank

1 Executive Summary

Clackamas County is concerned about rent burdened households and wants to better understand how changing markets are affecting the unincorporated areas of the County (where the County has the greatest policy control to affect change). In the last two decades, renters in Clackamas County have felt the strain of rising housing costs. About 47% of renter households across the county are now paying more than 30% of their gross income on housing costs—up from about 37% in 2000.

Clackamas County is interested in understanding the risk of housing displacement¹ for renters in unincorporated Clackamas County² as well as the role manufactured housing communities play in providing “naturally occurring” affordable housing³ in unincorporated Clackamas County. At the highest level, our analysis finds that both issues are important areas of focus that deserve the Task Force’s attention as they consider policy changes.

Evidence of Risk of Displacement for Renters in Unincorporated Clackamas County

To explore evidence of displacement risk in unincorporated areas of Clackamas County, ECONorthwest developed a framework using literature to evaluate market factors that affect the demand for or the price of housing. Our analysis uses several indicators to identify and measure the variables that indicate whether potential risk requires policy attention. We also evaluate demographic characteristics to monitor the differential risk of displacement for particular sub-populations. **We found that renters in Urban Unincorporated Clackamas County are at a higher risk of housing displacement than renters in Rural Unincorporated Clackamas County or in the county as a whole.**

The County should focus efforts in existing, disinvested neighborhoods of Urban Unincorporated and study the gap between the real value of housing in an area and potential values of housing in the area. The county should take stock of existing subsidized and low-cost, market rate affordable housing and support the preservation of these units. If redevelopment should occur, the county should support efforts to ensure affordable housing is replaced 1:1.

Contribution of Manufactured Housing Communities

Manufactured housing (MH) and manufactured housing communities (MHCs) play an important role in Clackamas County’s housing supply and affordability. Manufactured homes and communities provide housing for nearly 24,000 county residents. More than half (about 57%) of the County’s 10,471 MHs are located in MHCs. About 75% of the County’s MHs in

¹ **Housing Displacement** is a “situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence” (Oregon Senate Bill 310, 2017; Grier and Grier 1978).

² **Urban Unincorporated** Clackamas County are areas not incorporated into any city and inside Metro’s urban growth boundary. **Rural Unincorporated** Clackamas County are areas not incorporated into any city and outside Metro’s urban growth boundary.

³ **Naturally Occurring Affordable Housing** is housing that is affordable to lower income households, without government-assistance, often because of its location and/or condition.

MHCS are located in Unincorporated Clackamas County. The analysis finds that MHs in MHCs are likely one of the county's largest sources of unsubsidized affordable housing for low to moderate income households. Households living in MHs in the Portland Metro Region are more likely to have: a household member with a disability, an older head of household, lower incomes with higher rates of poverty rates, and lower educational attainments.

MHCs do not offer the “deep affordability” needed to serve the county's lowest income residents that government-assisted housing provides. Instead, MHCs typically provide housing affordable to households earning approximately 50% to 90% of county median income. **The Authors' analysis finds that MHCs presents an opportunity for homeownership that would otherwise be out of reach for households with modest incomes and a way for working-class retirees to age in place in a community of their choosing.** However, living in a manufactured housing community carries substantial risks not inherent in other kinds of housing. Typically, residents are homeowners—they own their home—but they rent the space where it is placed. An investor owns the land, infrastructure and community amenities. Despite the name “mobile home,” manufactured housing is not mobile. The investor/owner of the MHC has substantial leverage over the resident because, unlike apartment renters, manufactured homeowners cannot easily move if their rent grows too high or if they do not like the way a community is managed.

Implications

Housing displacement negatively impacts households, individuals, and communities. It disturbs households' financial stability and may impact their health or mental stability. Youth are especially impacted by displacement – often affecting their academic performance, influencing behavioral problems, or disturbing their ability to access healthcare. These issues create longer-term societal impacts and may preserve cycles of poverty. The absence of rent-restricted housing or naturally occurring affordable housing (such as manufactured housing and low-cost apartments) leave households with little to no options when existing affordable housing is replaced with more expensive housing. For households displaced at the lowest end of the income spectrum, little to no housing options may drive them to homelessness.

Given the findings of this analysis, the Affordable Housing Task Force should consider a range of policy solutions to address renter displacement and to preserve/improve MHCs as a housing choice. Policy options are described in detail later in the report, but in short, they include: expanding the County's current weatherization programs, implementing a construction excise tax to preserve rent-restricted affordable housing developments, land banking areas within urban reserves, developing a program which supports renters to become homeowners, organizing staff capacity to conduct outreach to MHC residents and investors, rezoning land to preserve MHCs, and supporting the voluntary sale of MHCs to existing residents.

2 Purpose and Context

Clackamas County leaders have come together to seek answers to residents' housing affordability concerns. They formed the Clackamas County Housing Affordability Task Force to support their efforts. The purpose of the Task Force is to advise the County as it develops a Housing Needs Analysis and associated policies to address rising home costs.

As it explores regional housing needs, the Task Force wants to understand how changing market forces are currently affecting residents of *Unincorporated* Clackamas County. They understand that market forces will likely continue to place pressure on residents of these areas into the future. They also understand that manufactured housing is an important component of Clackamas County's overall housing stock. With this foundation, the Task Force intends to proactively think about solutions that accommodate growth and housing needs across the income spectrum.

To provide information to supplement ongoing evaluations of housing need and to support potential policies decisions, Clackamas County contracted ECONorthwest, together with Commonworks Consulting, to conduct research on two specific topics of interest: (1) the risk of displacement in Unincorporated Clackamas County and (2) the current and future role of manufactured housing communities in providing naturally occurring affordable housing.

ECONorthwest's and Commonworks Consulting's research approach involves analysis of available data sources (such as the United States Census and Metro's Regional Land Information Systems), literature reviews, and interviews. Our goal was to synthesize findings to highlight the unique challenge for unincorporated areas and manufactured home communities to help the County focus its policy solutions.

To examine the County's two areas of interest (risk of displacement and manufactured housing communities as an affordable housing product), this paper answers three questions:

Housing Displacement Defined

Section 1 of Senate Bill 310 defines displacement as: "A situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence"

Additional terminology:

Direct (Economic) Renter Displacement occurs when a landlord raises rent beyond the renter's ability to pay.

Direct (Physical) Displacement occurs when a household is forced to move from their unit due to eviction, housing conditions, or rehabilitation / redevelopment that reduces affordable housing stock.

Indirect Renter Displacement occurs when nearby development or (re)investment changes the housing market and reduces housing affordability.

In this report, we are exploring *the risk* that renters in Unincorporated Clackamas County will experience residential displacement (direct or indirect). Based on a review of literature and available data, we identify evidence of likely risk of displacement for this subset of the population using five key drivers: (1) unaffordable housing costs; (2) evictions, foreclosure, and closure; (3) management and maintenance issues; (4) acquisition, rehabilitation, and redevelopment; (5) and (re)investment.

1. Do we find evidence of risk of displacement (direct or indirect) for renters in Unincorporated Clackamas County?
2. What specific role do manufactured housing communities (MHCs) play in the Unincorporated Clackamas County market as naturally occurring affordable housing⁴ (or housing that is affordable but is unsubsidized and not rent-regulated)?
3. What types of policy solutions could Clackamas County consider?

This paper addresses Clackamas County's unincorporated development context specifically because these areas are most directly under the County's control. Clackamas County has two distinct unincorporated areas (1) Urban Unincorporated Clackamas County, which is inside Metro's UGB, and (2) Rural Unincorporated Clackamas County, which is outside Metro's UGB. As this paper will reveal, housing markets in unincorporated areas function differently than incorporated areas because Oregon's planning land use system discourages growth outside of urban areas.

The white paper supports the Task Force in understanding the magnitude of the challenge of displacement (generally and for manufactured housing communities specifically) and to develop a targeted response. A set of policy responses are identified later in this paper.

2.1 Geographical Context

Clackamas County has two distinct types of unincorporated areas, each with its own regulatory context and likely future development patterns:

- **Rural Unincorporated (areas not incorporated into any city and *outside* Metro's urban growth boundary).** Rural unincorporated areas are always located outside of an urban Growth Boundary. They are locations with limited residential, commercial, industrial, and public land uses. They are suitable for farms and forestry or individual home sites on large lots. Infrastructure is inadequate to support urban-density development.

As described by Oregon's Department of Land Conservation and Development (DLCD), Oregon's Statewide Planning Program "discourages 'sprawling' development that takes place outside an urban growth boundary. However, rural development is permitted under certain circumstances. A county decides where rural development should be allowed by following what is called the 'exceptions process.'⁵ Very little new development is likely to occur in these areas, meaning direct displacement risk from new development is limited, with the exception of, naturally occurring affordable housing on large lots that might face redevelopment pressure for higher-end low-density housing. The larger displacement risk comes from rising home prices that can result in indirect displacement pressure in these areas.

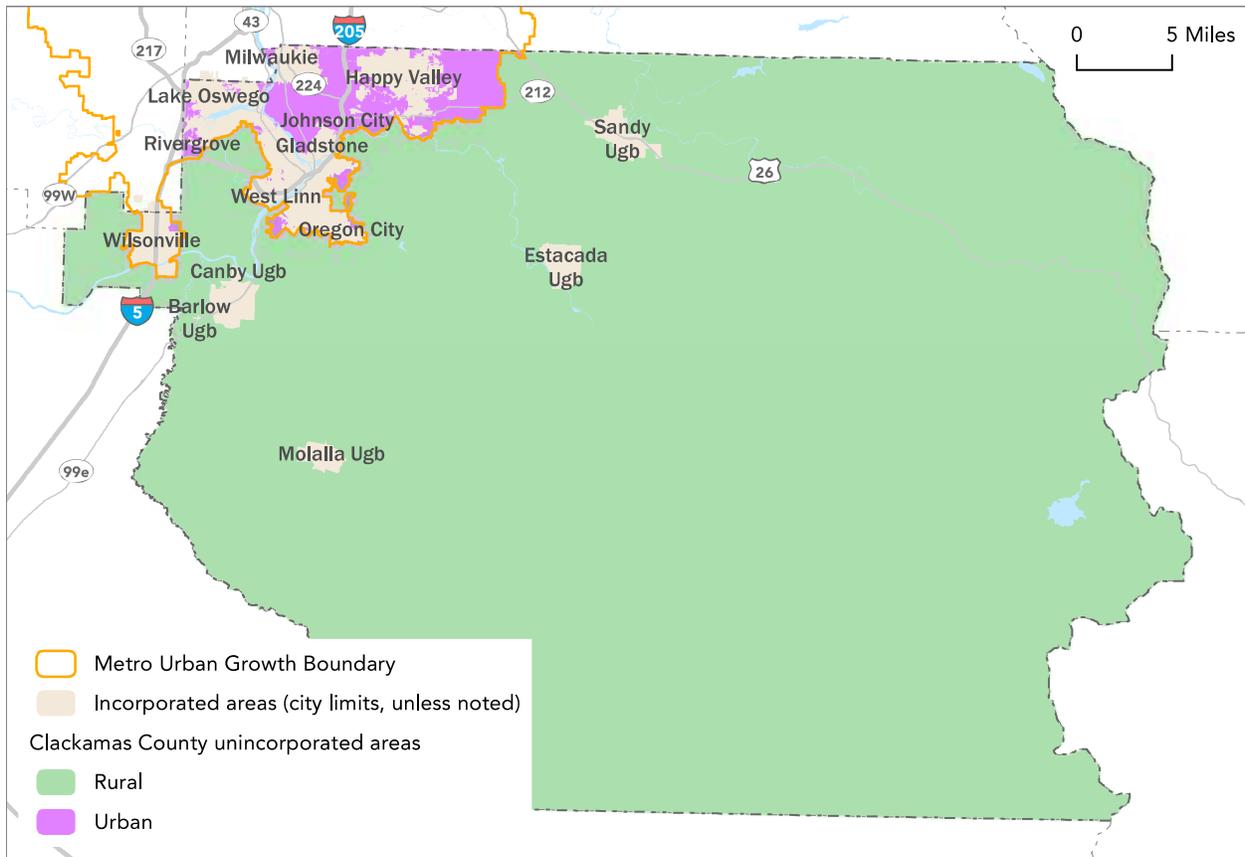
⁴ **Naturally Occurring Affordable Housing** is housing that is affordable to lower income households, without government-assistance, often because of its location and/or condition.

⁵ For more information about the exceptions process: <https://www.oregon.gov/lcd/RP/Pages/index.aspx>

- **Urban Unincorporated (areas not incorporated into any city and *inside* Metro’s urban growth boundary).** Despite the fact that urban unincorporated areas do not receive the same kinds of urban services as cities, Oregon does not characterize Urban Unincorporated as rural because these areas are located inside Metro’s urban growth boundary and are identified for future, high density development. This paper largely focuses on Urban Unincorporated Clackamas County because these areas face more extensive development pressures –increasing risk of residential displacement.

Exhibit 1. Incorporated, Rural Unincorporated, and Urban Unincorporated Areas in Clackamas County, Oregon

Source: ECONorthwest.



Unincorporated areas (either Urban Unincorporated or Rural Unincorporated) and *incorporated* areas (i.e. cities) are also different in several ways. The most important difference is that unincorporated areas receive fewer municipal services. More extensive municipal services in incorporated areas means that cities can support more households. Compared to unincorporated areas, Oregon’s statewide planning program also encourages cities to accommodate more development at higher densities. For example, OAR 660-007 requires that

cities located in the Portland Metro region, provide opportunity for development of housing at an overall average density of eight dwelling units per net acre.⁶

The average density standard of eight dwelling units per net acre also applies to Urban Unincorporated Clackamas County. However, at least in part because unincorporated areas have fewer municipal services with less capacity, the kinds of housing historically built in Urban Unincorporated were single-family homes, which may not support lower-income households.

2.2 Organization of this Paper

This paper explores the factors that drive displacement risk in Unincorporated Clackamas County. It also presents an analysis of manufactured housing and manufactured housing communities in Clackamas County. The remainder of the paper is organized as follows:

- **Section 3** is the exploration of the paper’s first question: “Do we find evidence of risk of displacement for renters in unincorporated Clackamas County?” It presents market factors that drive displacement risk and analyzes unincorporated Clackamas county through that lens.
- **Section 4** focuses on the paper’s second question: “what specific role do manufactured housing communities (MHCs) play in the unincorporated Clackamas County market as naturally occurring affordable housing?” This section describes the MHC market in Clackamas County and discusses the displacement drivers most impactful to this affordable housing type.
- **Section 5** proposes solutions and addresses this paper’s third question: “what types of policy solutions could Clackamas County consider?”
- **Section 6** concludes the paper and outlines implications for continued exploration and action on the topic of renter displacement and manufactured housing communities.
- **Terms Defined** outlines all the definitions presented in this paper.
- **Works Cited** references the literature and reports used implicitly and explicitly in this paper.
- **Appendix A** offers a more detailed version of Section 4.
- **Appendix B** presents full-page renditions of maps that illustrate details of the analysis, for reference.

⁶ Per OAR 660-007-0035(4): “Regional housing density and mix standards as stated in OAR 660-007-0030 and sections (1), (2), and (3) of this rule do not apply to small developed cities which had less than 50 acres of buildable land in 1977 as determined by criteria used in Metro’s UGB Findings. These cities include King City, Rivergrove, Maywood Park, Johnson City and Wood Village.”

3 Do we find evidence of risk of displacement for renters in Unincorporated Clackamas County?

This section addresses the drivers of displacement risk for *renter* households. Our focus is on renter displacement because Clackamas County’s Housing Needs Analysis found that cost-burden⁷ rates for renters, compared to homeowners, are particularly high. This suggests that renters may be particularly vulnerability to rising rents which suggests displacement risk, which may require focused policy mitigation. Further, Oregon’s homeowners are largely insulated from most of the financial impacts of rising home prices.⁸

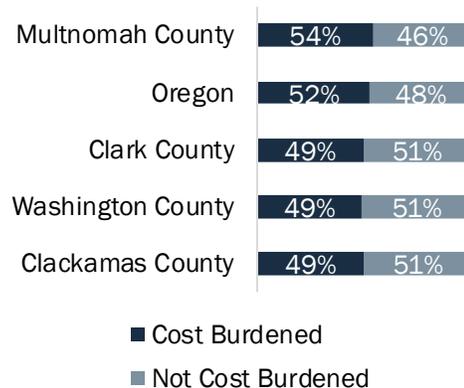
3.1 Approach

ECONorthwest studied the households and housing market in unincorporated areas of Clackamas County to learn whether there is evidence that the risk of displacement for renters in Unincorporated Clackamas County is greater than the risk in the County’s incorporated areas and deserves focused policy attention. ECONorthwest reviewed literature to define market drivers of housing displacement risk and to develop a framework with which to evaluate housing displacement risk. In addition, we reviewed the rules of Oregon’s statewide planning program to understand the development context in unincorporated areas (see 2.1).

Rates of Cost Burdened:

In Clackamas County, 49% of renter households and 26% of homeowner households were cost burdened in the 2013-2017 period.

The following exhibit shows cost burdened renter households in Clackamas County compared to other counties in the region (including the state), for the 2013-2017 period.



For quantitative portions of the analysis, we used the following data sources:

- The **Decennial Census**, which is completed every ten years and is a survey of *all* households in the U.S. While it has limitations, particularly for the accuracy and completeness of its measurement of communities of color, the Decennial Census is

⁷ A typical standard used to determine housing affordability is that a household should pay no more than a certain percentage of household income for housing, including mortgage payments and interest, rent, utilities, and insurance. The Department of Housing and Urban Development’s guidelines indicate that households paying more than 30% of their income on housing are “cost burdened.”

⁸ In Oregon’s property taxation system, rising home values do not directly result in higher property taxes. Except in limited circumstances, property taxes grow at a statutorily-limited rate of 3%, regardless of changes in the larger housing market. Homeowners certainly do experience predatory purchasing practices and other financial challenges with housing cost, but once they have a mortgage in place, rising home prices in the market are not likely to directly lead to displacement.

considered the best available data for longitudinal demographic information, household characteristics, and housing occupancy characteristics.

- The **American Community Survey (ACS)**, which is completed every year and is a *sample* of households in the U.S. The ACS collects detailed information about households, demographics, household characteristics, housing characteristics, housing costs, housing value, income, and other characteristics.
- **Clackamas County's Regional Housing Needs Analysis**, conducted by ECONorthwest for the 2019 to 2039 period, summarizes housing market trends, presents factors that affect housing needs, forecasts housing growth, and estimates residential land sufficiency needed to accommodate expected growth in the county.
- Metro's **RLIS** database, which provides tax lot and property data for jurisdictions within the three-county Metro Area (Clackamas County, Multnomah County, and Washington County).

3.2 How Does Housing Displacement Impact People?

The housing market in Clackamas County is the result of individual decisions of thousands of households. While not all housing decisions are voluntary or preferred, Oregon's planning framework aims to ensure that municipalities provide the opportunity for housing that meets the needs of existing and future populations, at all income levels.

Households and individuals choose to live in particular areas for a range of reasons. These may include preferences for rural or urban life; desire for more / less land, square footage, or amenities; or access to housing with characteristics that better suit their household or financial needs. In the last decade, housing has become increasingly expensive and competitive, resulting in a decline of housing choice. Communities of color, people at the lower end of the income spectrum, and people on fixed incomes are disproportionately impacted by these market dynamics and find themselves with limited or no choices in their housing options. The result is housing instability, cultural and community disruption, mental and emotional distress, and housing displacement.

Housing displacement is not a synonym for "gentrification," although the terms are sometimes used interchangeably. They describe different, potentially overlapping, phenomenon. Gentrification is "a form of neighborhood change that occurs when higher-income groups move into low-income areas, potentially altering the cultural and financial landscape of the original neighborhood" (U.S. Department of HUD, 2018). This is quite specific—and may become the situation which forces a household to move from its current residence (displacement). Put differently, housing displacement can become a symptom of gentrification.

Housing displacement is "*a situation* in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence" (Oregon Senate Bill 310, 2017 and Grier, 1978).⁹ This

⁹ Oregon Senate Bill 310 expounds on their definition stating that: (a) a reasonable person would consider [the situation] to be beyond the household's ability to prevent or control; (b) [the situation would] occur despite the

is a broad definition, which could mean displacement due to a wildfire or environmental regulation. For this paper, we use a more focused definition: renter displacement that results from changing market conditions, new development, and rising rents or home prices.

Displacement risk negatively impacts households, individuals, and communities.¹⁰ Studies have proven that housing displacement negatively impacts people’s health / mental stability (well-being) and financial stability. Children’s outcomes and behaviors are especially affected when their households are displaced frequently (Center for Housing Policy, 2011).¹¹ From Levy 2012, in the event that risk of displacement exists in Unincorporated Clackamas County, if left unaddressed, the county may experience impacts such as:

- Preservation of or an increase in economic or racial segregation throughout an area;
- Continued decline in households’ ability to pay for housing, from very-low income to middle-income households, which will reduce those households’ expendable income needed for other daily needs;
- Increased likelihood that households are unable to afford to live in the community in which they work. This results in increased commute times and heavier use of roads and public transportation systems which reduces air quality and increases environmental concerns.

3.3 Displacement Drivers for Renters

For this paper, ECONorthwest evaluated evidence of displacement risk using the framework displayed in Exhibit 2. The framework is based on literature that describes *market factors* that make households more susceptible to housing displacement (therefore, not every driver of housing displacement risk is outlined below). We also selected market drivers that affect *renter households* specifically. The following context informs our framework:

- **Drivers.** Direct or indirect *market factors* that could cause involuntary or voluntary displacement for renter households. Market factors, defined in this paper, are external influences that affect the demand for or the price of housing.

household’s having met all previously imposed conditions of occupancy; and (c) [the situation would] make continued occupancy of the residence by the household unaffordable, hazardous or impossible

¹⁰ Some research also finds that changing market conditions, from higher-income residents moving into new areas, can also promote improved services (via tax increases), increase buying power in the community / neighborhood, and attract new investments. However, it is unclear how those changes result in improved outcomes for lower-income or communities of color who remain in a neighborhood, and these changes do not benefit those who are displaced. Strategic policy choices can reduce the impacts of disinvested / lower-cost areas while mitigating the extent that existing households in those areas are displaced.

¹¹ From Center for Housing Policy, 2011: “Hyper-mobility can present special challenges to children’s well-being... through direct effects... and as mediated through their parents (e.g., the parents’ stress or preoccupation with details related to the move could affect their ability to be supportive of their children).” Research has found evidence to connect frequent residential mobility to behavioral problems, risk-taking behavior in adolescence, decreased academic performance, and disruptions in access to health-care services.

- **Indicators.** Specific, observable, and measurable elements used to evaluate drivers of renter displacement risk. Data to evaluate all potential indicators is not practically available or beyond the scope of this paper. For the most part, analysis of indicators is limited to secondary (available) data.

Indicators are not intended to directly measure a causal relationship, but instead to identify and measure the variables that indicate whether potential risk requires policy attention.

- **Population Monitoring.** Historical and current racism and other forms of oppression amplify the risk of displacement for Clackamas County's people of color and other classes of people (families with children, people living with disabilities, seniors, households below the poverty line, etc.). As demographic characteristics also contribute to differential risk of displacement, we evaluate this indicator separately.

Exhibit 2. Framework for Measuring the Drivers of the Risk of Displacement

Source: ECONorthwest. Literature informing this framework is listed in the Works Cited section of this paper.

Displacement Type	Market Driver: Risk of Housing Displacement for Renters	Indicator
Direct (Economic) Displacement	<p>Unaffordable Housing Costs</p> <p>Increasing rents (even without new development) to a level that is no longer affordable to the tenant.</p>	(1) Rising rents, (2) increasing rates of cost burden, (3) expiring gov't-subsidized housing
Direct (Physical) Displacement	<p>Eviction, Foreclosure, or Closure</p> <p>The act of expulsion or removal of a tenant (and their belongings) from a property.</p>	(1) Absence of gov't-subsidized housing or naturally occurring affordable housing, (2) sale patterns
	<p>Management and Maintenance Issues</p> <p>Housing conditions are a result of management and maintenance practices. Poor practices (including neglect) on part of a property owner could result in displacement of existing households if housing conditions make living in their existing situation unsafe or unworkable.</p>	(1) Patterns of resident complaints, (2) infrastructure failure, and (3) sale patterns
	<p>Acquisition, Rehabilitation, and Redevelopment</p> <p>When a developer rehabilitates or replaces older, less expensive (affordable) housing with newer, higher-priced units, existing residents may not be able to afford the higher rents in the new development.</p>	(1) Rising rents, (2) land increasing in value, and (3) expiring gov't-subsidized housing contracts
Indirect (Economic) Displacement	<p>(Re)Investment</p> <p>Public or private (re)investments (including capital investments, public policy, acquisition and redevelopment, subsidy, etc.) that changes the housing market by increasing land values or housing costs of the area.</p> <p>Regarding private investment specifically, new development renting at market rates may spill over to lower-cost rental units, causing rents to rise and potentially displacing existing residents. Or, rising rents could be unattainable for low- or moderate-income renters.</p>	(1) Rising rents and (2) land increasing in value
<p>Population Monitoring: <i>Some demographic groups experience amplified risk of displacement due to historic and current oppression.</i></p>		

3.4 Risk of Displacement in Clackamas County

This section evaluates the indicators of displacement risk for renters in Unincorporated Clackamas County. Data was not available to measure all indicators outlined in Exhibit 2.

Population Monitoring

To the extent that data is available at the block group geographic level, this section reviews demographic characteristics in Clackamas County to evaluate differential risk of displacement for groups of people living in Urban / Rural Unincorporated and Clackamas County as a whole. Research finds that households who earn below 80% of median family/household income, people 25 and older without a college degree, renters, people of color, families with children, seniors, and/or persons with disabilities or medical conditions have experienced amplified risk of displacement compared to the population in aggregate, or compared to populations that have not experienced systemic oppression, (Desmond et. al. 2013, Bates 2013, Petrovic 2008).

Shifting demographics— the result of population growth, in-migration of higher-income earners, or cultural turnover— can signal risk of displacement. Some demographic groups, who are pushed out of their existing neighborhoods, may not have other housing or neighborhood options to move to. We summarize a few demographic factors to contextualize existing households / residents who are may be more susceptible to displacement risk.

Exhibit 3. Selected Demographic Characteristics, Urban Unincorporated, Rural Unincorporated, Clackamas County, 2013-2017 period

Source: U.S. Census Bureau, 2000 Decennial Census and 2013-2017 ACS Table S1501, B19001, S0101, B25003, H004.

Indicator	Urban Unincorporated	Rural Unincorporated	Clackamas County
Race			
Population that is Caucasian (alone)	85%	95%	88%
Population that is not Caucasian (alone)	15%	5%	12%
Ethnicity			
Population that is Latinx	10%	6%	9%
Population that is not Latinx	90%	94%	91%
Tenure			
Renter Households (2000)	33%	16%	29%
Renter Households (2013-2017)	37%	15%	30%
Lower-Income Households			
< 80% of MFI (< \$65,000)	51%	44%	45%
< 50% of MFI (< \$50,000)	39%	34%	33%
< 30% of MFI (< \$25,000)	17%	14%	14%
Educational Attainment (Adults 25 years+)			
No high school diploma	6%	8%	7%
No college degree	52%	63%	55%
Age			
Seniors (60 years+)	5%	5%	24%
Seniors (80 years+)	1%	1%	4%

We find that the percentage of population that is not Caucasian and that is Latinx is greater in urban unincorporated Clackamas County than in incorporated areas, and that there are more renters and lower-income residents in urban unincorporated areas. These findings suggest higher potential displacement risk in the urban unincorporated areas that will see a shifting regulatory environment and increased development pressure in the future.

Exploration of Displacement Risk Indicators¹²

This subsection evaluates the following indicators:

- Rising rents
- Increasing rates of cost burden
- Expiring government-subsidized housing
- Absence of government-subsidized housing or naturally occurring affordable housing
- Increasing land values

Rising Rents

Rising housing costs, in the form of rent increases, are a result of changing housing market dynamics. Because low-income renters are disproportionately cost-burdened compared to other residents, when neighborhood rents increase, low-income renters may be forced to relocate in search of more affordable housing elsewhere. Middle-income and higher-income renters can sometimes absorb the impacts of rising rents to a certain extent, but not always.

There are proportionately more renters in Urban Unincorporated areas than in Rural Unincorporated areas and Clackamas County as a whole (Exhibit 4). Most renters in Rural Unincorporated live in single-family detached housing, while most renters in Urban Unincorporated and the county as a whole live in multifamily housing (Exhibit 5). The proportionally higher share of renters in Urban Unincorporated areas (and in multifamily housing) warrants further exploration.

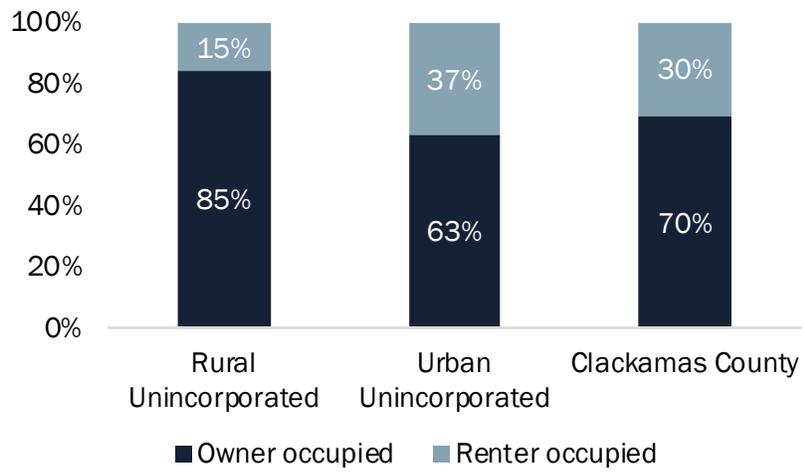
¹² Note, many of these findings derive from the Regional Clackamas County Housing Needs Analysis (2019).

In the 2013-2017 period, Urban Unincorporated areas had a larger share of renters than Clackamas County as a whole.

Rural Unincorporated areas had a larger share of homeowners than Clackamas County as a whole.

Exhibit 4. Households by Tenure, Rural Unincorporated Clackamas County, Urban Unincorporated Clackamas County, and Clackamas County, 2013-2017

Source. U.S. Census Bureau, 2013-2017 ACS Table B25003.

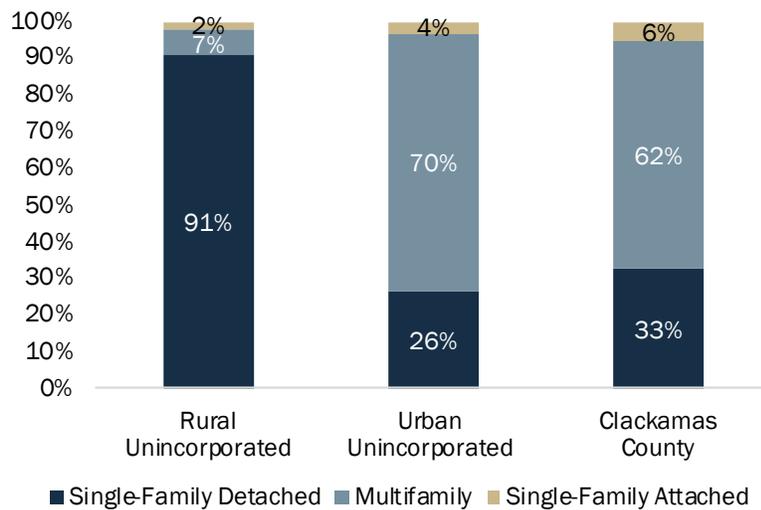


About 37% of Urban Unincorporated households were renters in the 2013-2017 period.

Of those renter households living in Urban Unincorporated, 70% live in multifamily housing. This is a larger share of renter households living in multifamily housing, as compared to Rural Unincorporated and Clackamas County as a whole.

Exhibit 5. Housing Units by Type, Renter Households, Rural Unincorporated Clackamas County, Urban Unincorporated Clackamas County, and Clackamas County, 2013-2017

Source. U.S. Census Bureau, 2013-2017 ACS Table B25032.



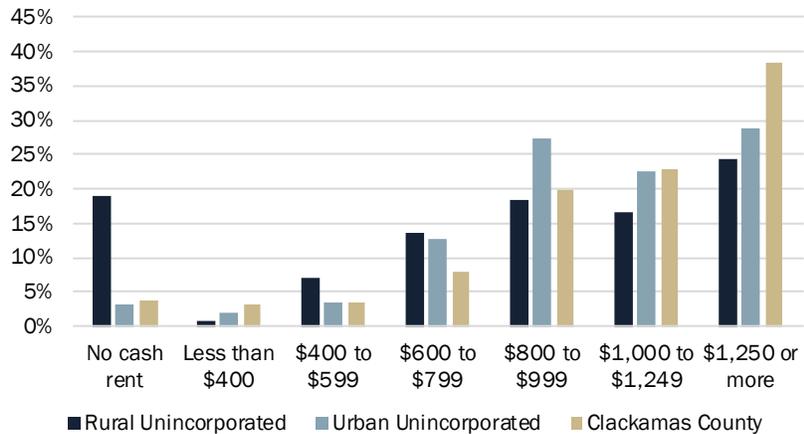
In the past few years, gross rental costs in Clackamas County have risen. Yet, as of the 2013-2017 period, rental costs were generally lower in Urban and Rural Unincorporated areas, than for the county as a whole. It is possible that rentals are lower due to housing conditions, proximity to amenities, or distance to employment opportunities.

For example, according to the U.S. Department of Housing and Urban Development, the 2018 Fair Market Rent (FMR) for a two-bedroom apartment in Clackamas County was \$1,330. Exhibit 6 shows that the share of rentals that cost less than the FMR was about 82% in Urban Unincorporated, 83% in Rural Unincorporated, and 64% in Clackamas County.

In the 2013-2017 period, the share of rentals that cost less than \$1,000 per month was 49% in Urban Unincorporated, 59% in Rural Unincorporated, and 39% in the county as a whole.

Exhibit 6. Gross Rent, Rural Unincorporated Clackamas County, Urban Unincorporated Clackamas County, and Clackamas County, 2013-2017

Source. U.S. Census Bureau, 2013-2017 ACS Table B25063.



Increasing Rates of Cost Burden

Despite unincorporated areas having a larger share of units with lower rental costs than the county as a whole, households in Urban Unincorporated face the same pressures from rising housing costs as households across Clackamas County.

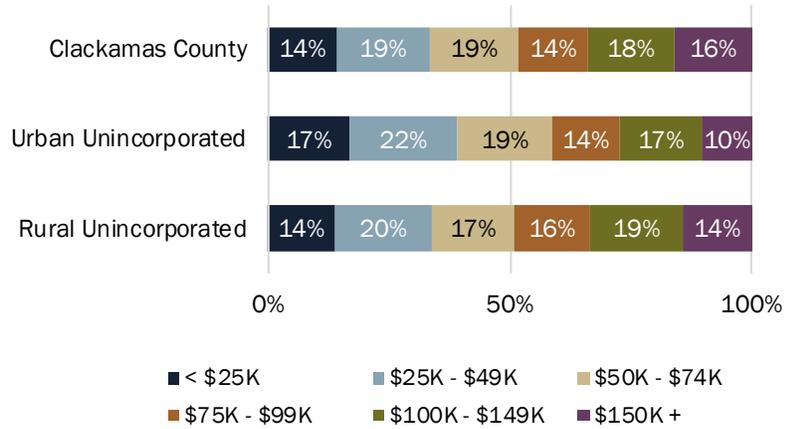
To afford a two-bedroom apartment at FMR, without experiencing cost burden, a household must earn an annual salary of about \$53,200.¹³ Exhibit 3 or Exhibit 7 shows that a larger share of Urban Unincorporated households earn less than \$50,000 per year compared to Rural Unincorporated and the county as a whole. Exhibit 8 shows that renter households in Urban Unincorporated are *similarly* cost burdened to households in the county as a whole (at about 47%). It is likely that competition for affordable units in Urban Unincorporated results in many of these households living in housing that they cannot afford.

¹³ An annual salary of about \$53,200 is slightly higher than 60% of Clackamas County’s Median Family Income in 2018.

Urban Unincorporated Clackamas County has a larger share of lower income households than Rural Unincorporated Clackamas and the county as a whole.

Exhibit 7. Household Income, Rural Unincorporated Clackamas County, Urban Unincorporated Clackamas County, and Clackamas County, 2013-2017

Source. U.S. Census Bureau, 2013-2017 ACS Tables B19001.

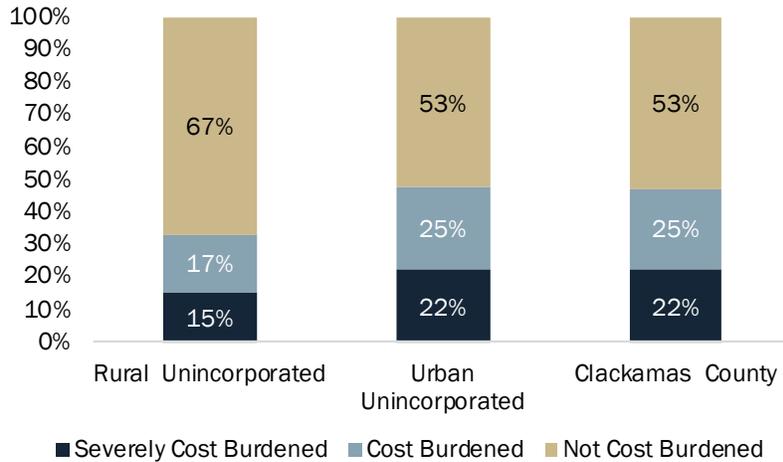


Nearly half (47%) of Urban Unincorporated renter households and Clackamas County renter households were cost burdened in the 2013-2017 period.

At the same time, 33% of Rural Unincorporated renter households were cost burdened.

Exhibit 8. Cost burdened, Renter Households, Rural Unincorporated Clackamas County, Urban Unincorporated Clackamas County, and Clackamas County, 2013-2017

Source. U.S. Census Bureau, 2013-2017 ACS Tables B25070.



Expiring Government-Subsidized Housing

The U.S. Department of Housing and Urban Development's 2018 report on displacement indicated that the preservation of both government-subsidized affordable housing and low-cost market rate (or naturally occurring) affordable housing is a key strategy for preventing displacement.¹⁴ Likewise, studies conducted by the University of Texas, the University of Southern California, and Harvard University emphasize the importance of affordable housing as a **safety net** for vulnerable households who are on the cusp of housing displacement (Mueller et. al 2018, Bostic et. al 2017, Been 2017).

About 39%, or 1,390 dwelling units, of Clackamas County's total supply of government-subsidized affordable units are in unincorporated areas.

Government-subsidized housing is an effective way to house lower-income residents.¹⁵ Subsidized housing opportunities allow lower-income renters to remain in their homes even while neighborhoods gentrify around them (Bostic et. al, 2017). As government-subsidized housing projects near expiration, risk for displacement increases. While government-subsidized housing often accounts for a small share of a jurisdiction's total housing stock, the loss of these units increases competition for an already limited supply of affordable housing.

According to Oregon Housing and Community Services (OHCS), in 2018, Clackamas County had 3,558 government-subsidized units, of which 39% were located in unincorporated areas of the county. About 146 federally-subsidized units and 20 state-subsidized units are set to expire by 2027 (OHCS, 2018). These 166 government-subsidized units account for 4.7% of the total government subsidized units in Clackamas County. Renters living in these units may be forced to move elsewhere when / if the rents convert to market rate.

¹⁴ Low-cost market rate, affordable housing (sometimes called "naturally occurring affordable housing") are "housing units that are unsubsidized and affordable to households below the region's median income" (Bostic et al., 2017).

¹⁵ Households earning less than 80% of Median Family Income (MFI) are most likely to need government-subsidized housing. The U.S. Department of Housing and Urban Development classifies these households in three categories: (1) Extremely-Low Income (less than 30% of MFI); (2) Very-Low Income (30% to 50% of MFI); and (3) Low-Income (50% to 80% of MFI).

Absence of Government-Subsidized Housing or Naturally Occurring Affordable Housing

The absence of subsidized housing or low-cost, market rate affordable housing, may result in residents being forced out of their neighborhoods if rental costs increase beyond the households' ability to pay or if they are otherwise displaced due to eviction. For some, the absence of government-subsidized housing would result in that household becoming homeless.

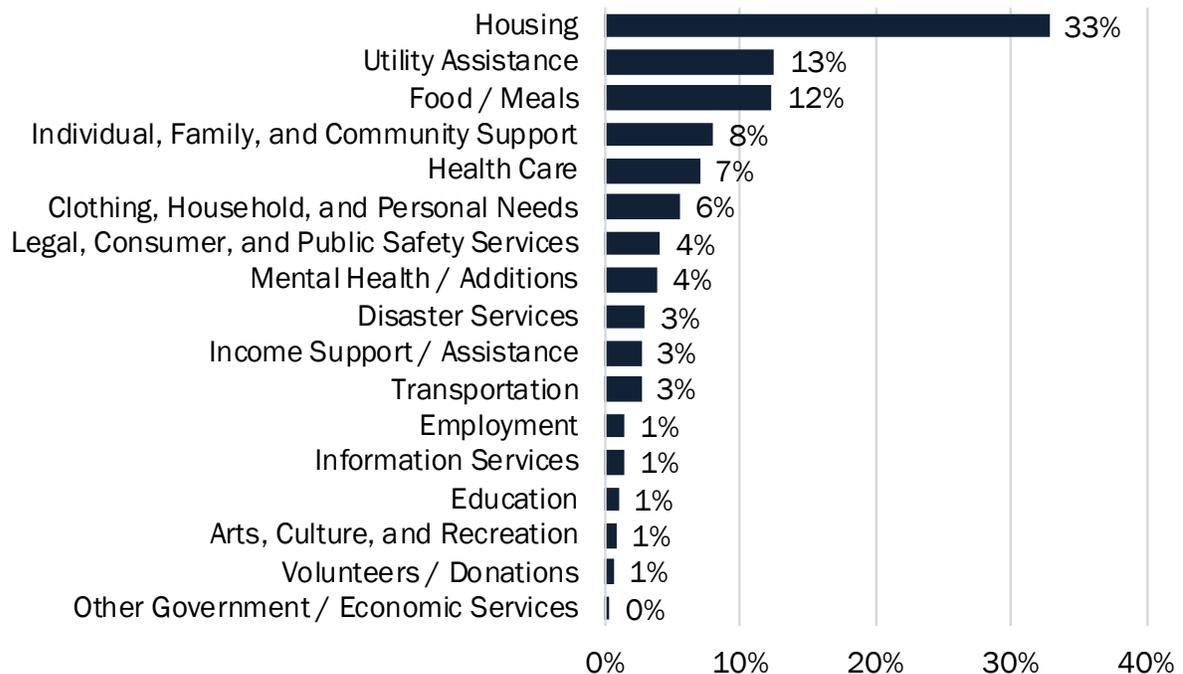
Clackamas County's Housing Needs Analysis finds that:

- Urban Unincorporated has a deficit of affordable housing units available for households earning between **\$10,000 and \$50,000 per year** (12% and 60% of Median Family Income)
- Rural Unincorporated has a deficit of affordable housing units available to households earning between **\$10,000 and \$75,000 per year** (12% and 92% of Median Family Income)
- Clackamas County has a deficit of affordable housing units available to households earning between **\$10,000 and \$35,000 per year** (12% and 43% of Median Family Income)

In Clackamas County, 33% of all calls for 211 info (July 2018—June 2019) were for housing needs requests, or 46% if utility assistance is included (Exhibit 9). More research is needed to determine the extent to which service calls in Clackamas County derive from unincorporated areas or incorporated areas of the county. However, these requests are likely the result of insufficient levels of government-subsidized or affordable housing products in the county to meet the needs of households and individuals at all income levels.

Exhibit 9. Number of Requests by Need, Clackamas County, July 2018—June 2019

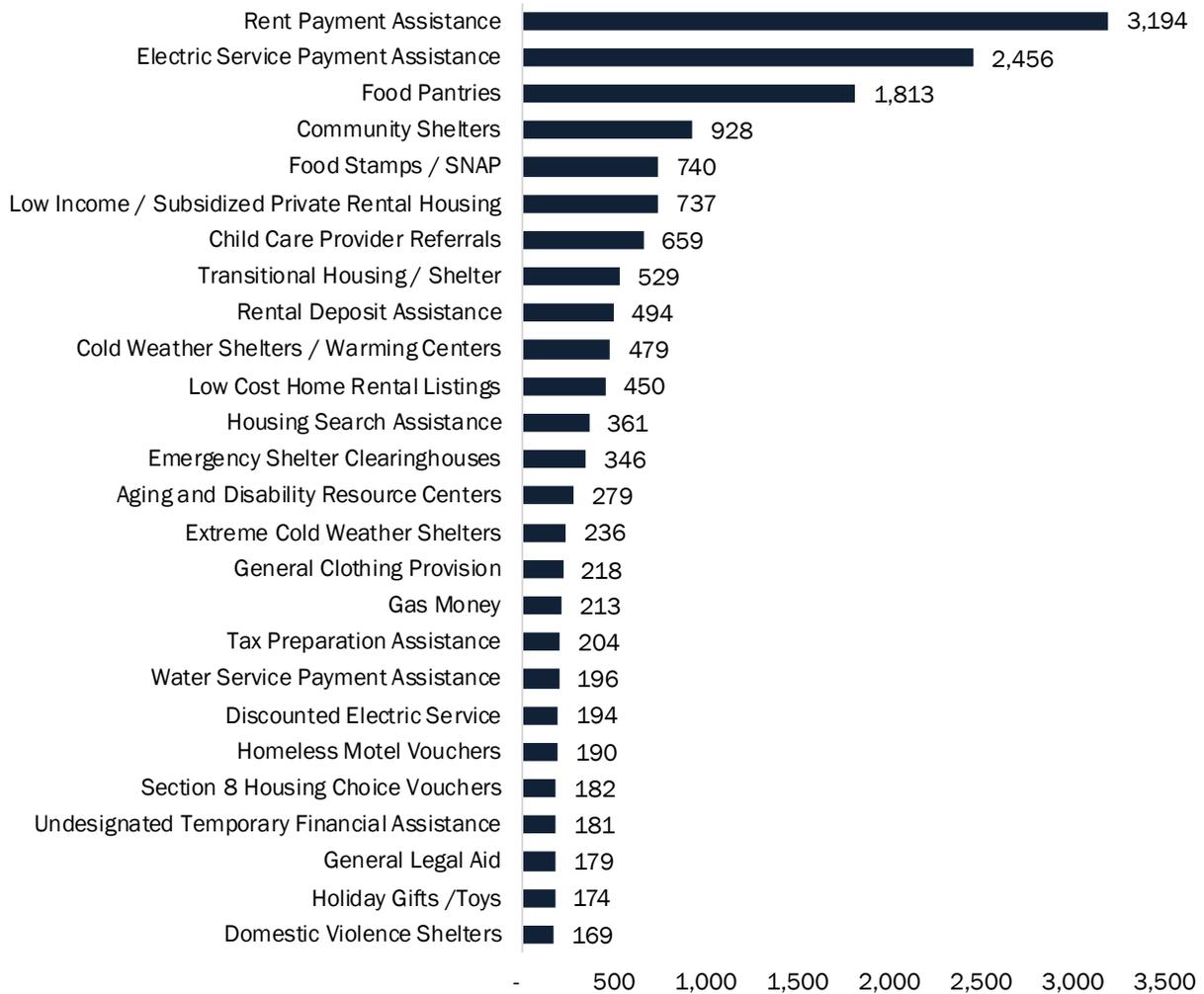
Source. 211 Info. Note: N = 27,053.



After granular assessment of *top service needs*, we find that assistance with rent payments, rental deposits, and affordable rental listings (4,138 calls or 26%), (Exhibit 10). We also find that over 1,109 calls (7%) were requests for a housing subsidy in the form of low-income or subsidized housing, a housing choice voucher, or a homeless motel voucher. Further, 2,687 calls (17%) were requests for shelters of some form.

Exhibit 10. Top Service Needs, Clackamas County, July 2018—June 2019

Source: 211 Info. Note: N = 15,801



Increasing Land Values

In part, land values increase as developers compete for and develop available lands and redevelop properties. Public investment may also drive land value increases. On average, between 2013 and 2018, land values *per acre* increased by 42% in Rural Unincorporated (\$2,796) and by 60% in Urban Unincorporated (\$155,542). Land value growth often signals housing price increases, which is a key driver of displacement risk.

Exhibit 11. Land Value Change, Urban Unincorporated Clackamas County and Rural Unincorporated Clackamas County, 2013 to 2018

Source: RLIS.

	2013 Land Value per Acre	2018 Land Value per Acre	Percent Change	Monetary Change
Rural Unincorporated	\$6,615	\$9,410	42%	\$2,796
Lots Smaller than 1 Acre	\$148,899	\$211,297	42%	\$62,398
Lots between 1 and 5 Acres	\$51,810	\$74,829	44%	\$23,019
Lots Larger than 5 Acres	\$3,893	\$5,493	41%	\$1,601
Urban Unincorporated	\$260,590	\$416,132	60%	\$155,542
Lots Smaller than 1 Acre	\$373,796	\$599,665	60%	\$225,868
Lots between 1 and 5 Acres	\$193,777	\$304,227	57%	\$110,450
Lots Larger than 5 Acre	\$127,796	\$203,649	59%	\$75,853
Total	\$9,814	\$14,534	48%	\$4,720

Exhibit 12 provides a more granular assessment of lots between one and five acres in the last few years. Exhibit 12 shows that for both Urban and Rural Unincorporated, on average, lots between one and two acres were most valuable on a per acre basis from a monetary sense. It shows that land values on lots between four and five acres in Urban Unincorporated experienced the most growth, on a percent change basis, between 2016 and 2018 (35% change). Lots of this size may be candidates for larger scale multifamily development or smaller single-family subdivisions.

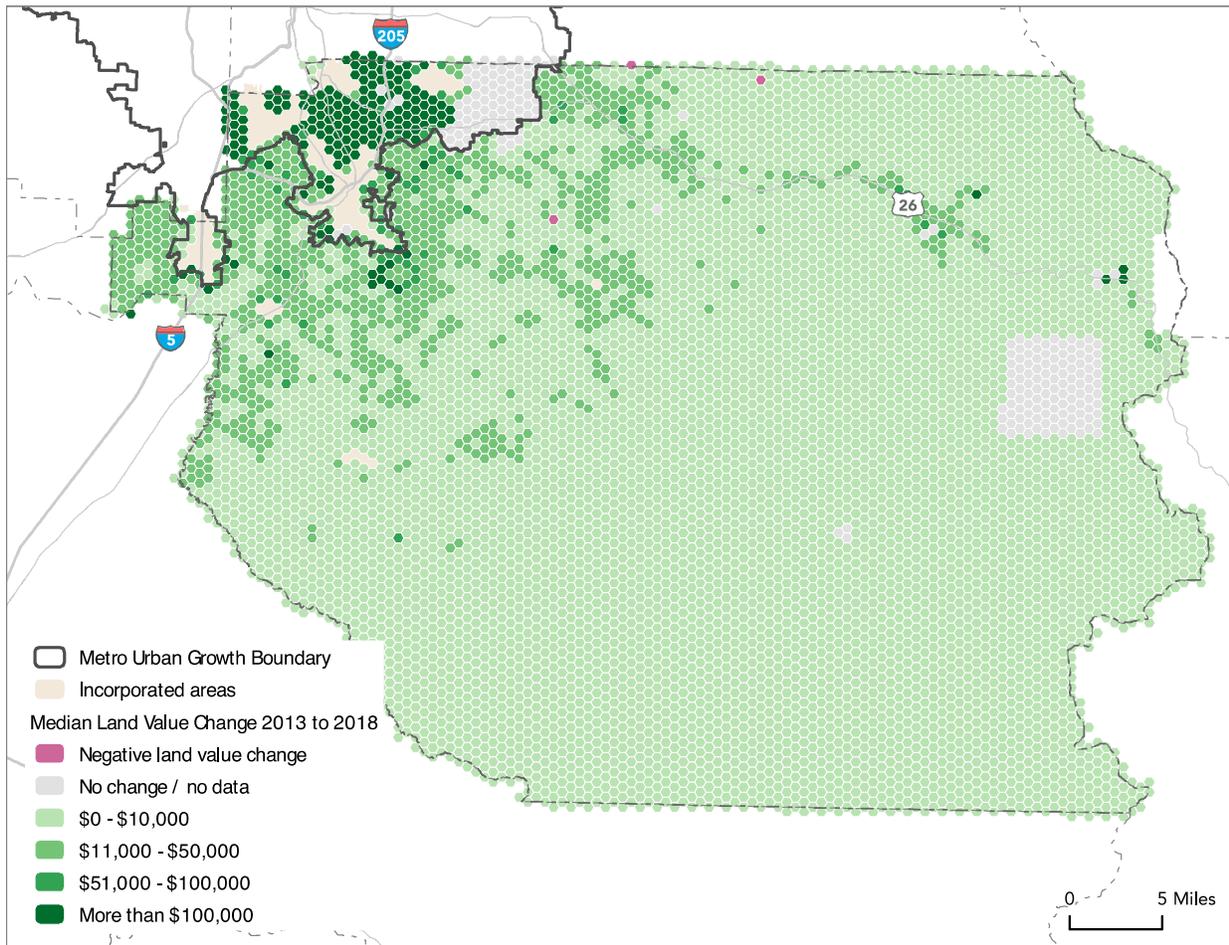
Exhibit 12. Land Value Change on Lots between One and Five Acres, Urban Unincorporated Clackamas County and Rural Unincorporated Clackamas County, 2016–2017 and 2016–2018

Source: RLIS.

	2016 Land Value per Acre	2017 Land Value per Acre	2018 Land Value per Acre	Change (2016 to 2017)		Change (2016 to 2018)	
				Percent	Monetary	Percent	Monetary
Rural Unincorporated	\$7,587	\$8,667	\$9,410	14%	\$1,080	24%	\$1,823
Lots 1 acre to 1.9 acres	\$95,132	\$109,139	\$118,702	15%	\$14,007	25%	\$23,570
Lots 2 acres to 2.9 acres	\$63,964	\$73,437	\$79,702	15%	\$9,473	25%	\$15,739
Lots 3 acres to 3.9 acres	\$48,281	\$55,668	\$60,423	15%	\$7,388	25%	\$12,142
Lots 4 acres to 4.9 acres	\$42,768	\$49,450	\$53,499	16%	\$6,682	25%	\$10,731
Urban Unincorporated	\$310,006	\$378,038	\$416,132	22%	\$68,032	34%	\$106,126
Lots 1 acre to 1.9 acres	\$268,948	\$314,348	\$343,846	17%	\$45,400	28%	\$74,898
Lots 2 acres to 2.9 acres	\$228,898	\$258,764	\$285,432	13%	\$29,866	25%	\$56,534
Lots 3 acres to 3.9 acres	\$224,815	\$254,252	\$282,053	13%	\$29,437	25%	\$57,238
Lots 4 acres to 4.9 acres	\$193,191	\$232,884	\$259,986	21%	\$39,693	35%	\$66,794
Total	\$11,397	\$13,321	\$14,534	17%	\$1,924	28%	\$3,137

Exhibit 13. Mapped Land Value Change, Urban Unincorporated Clackamas County and Rural Unincorporated Clackamas County, 2013 to 2018

Source: ECONorthwest. Data from RLIS. Note: this analysis was not conducted in incorporated areas of Clackamas County.



Several possible explanations exist to contextualize Exhibit 13. Land values tend to decrease as commute times to the urban / metropolitan core grow, as employment opportunities decline, as urban amenities become scarcer, and as varied land-use regulations (see Section 2.1) affect the viability of residential / commercial uses (Albouy, et. al. 2013).

3.5 Key Takeaways

Several indicators suggest that risk for renter displacement is amplified in Urban Unincorporated areas, compared to Rural Unincorporated areas or the county as a whole. The key takeaways of this analysis, summarized below, suggest that **a policy focus in Urban Unincorporated areas is warranted.**

- **Populations facing differential risk:** Urban Unincorporated areas have a larger share of renter households and lower income households. Lower income households are more likely to be in precarious living and financial situations, and therefore may be more sensitive to increases in housing costs. A larger share of the population in Urban Unincorporated identify as non-Caucasian and Latinx meaning these households may have the added burden of overcoming historic and current oppression such as housing discrimination.
- **Cost burden challenges:** Households in Urban Unincorporated are similarly cost burdened to households in the County as a whole, despite lower rental costs. Nearly half of renter households in Urban Unincorporated areas are living in housing they cannot afford.
- **Development pressure:** Land values per acre in Urban Unincorporated have increased 60% (\$155,542) between 2013 and 2018. These results suggest development activity is growing which could lead to future household displacement if the affordable housing stock is replaced with more expensive housing.

Across all unincorporated areas, we find a substantial share of the County's government subsidized units, (about 1,423 government-subsidized units). Contract expiration dates are unknown, however, whether or not these contracts expire in the next 20 to 30 years, the supply of government subsidized housing (and naturally occurring affordable housing) does not meet existing needs. Consequently, affordable housing deficits exist across the county (including Urban and Rural Unincorporated areas). In Clackamas County, approximately 7,934 service calls via 211 info were calls directly related to rental housing or the need for housing of last resort (i.e. shelters).

Section 6 delves deeper in the conclusions of this analysis.

4 How does manufactured housing contribute to housing affordability?

Manufactured housing (MH) and manufactured housing communities (MHCs) provide housing for a substantial share of county residents. This portion of the paper was developed by Commonworks Consulting, with data and GIS analytics assistance through ECONorthwest. In this section, we examine the role of MHCs, the underlying economics of MHCs, and the factors that lead to MHC resident displacement.

4.1 Approach to Analyzing Manufactured Housing and Manufactured Housing Communities in Clackamas County

Commonworks Consulting began the analysis by analyzing data on how many MH and MHCs exist, who lives in them, and how affordable they are. Then, Commonworks explored the inherent vulnerabilities of living in MH and MHCs, along with identifying the potential displacement drivers. The final step was to collect and analyze data on displacement risk indicators to help to identify potential policy options to mitigate housing displacement. This approach is summarized in Exhibit 14.

Data Sources

In addition to the literature referenced throughout this section, and the data sources previously listed in Section 4.1, this paper uses data from:

- The **American Housing Survey** (2015), which provides housing unit data.
- **The MHC Rent Survey** (April 2019), developed and conducted by Commonworks Consulting. Primary method used to establish and ground truth MHC rental data.
- **Interviews**, conducted by Commonworks Consulting to compile information about MHC space rents, aging infrastructure, and maintenance issues.

Exhibit 14. Summary of Approach to Analyzing MHs and MHCs in Clackamas County

<p>Describe MH & MHCs in Clackamas County (Sections 4.1/4.2)</p>	<ul style="list-style-type: none">• Definitions: Manufactured Housing (MH) & Manufactured Housing Communities (MHCs)• Share of housing stock• Who lives there• Affordability
<p>Determine Inherent Vulnerabilities (Section 4.3)</p>	<ul style="list-style-type: none">• Residents own home, rent space• MH not mobile; expensive or impossible to move• Thus, landlords have a lot of leverage• Different types of landlords have different investment goals.
<p>Identify Displacement Drivers (Section 4.4)</p>	<ul style="list-style-type: none">• Excessive rent increases• Poor management or maintenance• Redevelopment pressure resulting in MHC closure
<p>Analyze Displacement Risk Indicators (Section 4.5)</p>	<ul style="list-style-type: none">• MHC sale patterns and outliers• High vacancy rates• Sharply rising land values or new development nearby• Patterns of complaints from residents• Infrastructure failure
<p>Identify Policy Options (Section 5)</p>	<ul style="list-style-type: none">• Save and preserve MHCs• Improve MH and MHCs• Assist with voluntary transfers• Assist with involuntary transfers due to closure or other causes

4.2 What is the role of manufactured housing and manufactured housing communities in Clackamas County?

As illustrated in Exhibit 15, MH and MHCs provide housing for nearly 24,000 residents in Clackamas County. Some of the MHs are located on lots, but of the 6,000 spaces (located in MHCs), 75% are located in an unincorporated area of the county. These homes are likely the county's largest source of unsubsidized affordable housing and represents a larger supply of affordable housing than the 1,390 units of government-assisted housing located in the unincorporated areas of Clackamas County. MHCs do not offer the "deep affordability" needed to serve the county's lowest income residents that government-assisted housing provides; instead, these homes are affordable to households earning approximately 50% to 90% of Clackamas County's Median Family Income (MFI).¹⁶

Exhibit 15. A Snapshot of Manufactured Housing and Manufactured Housing Communities in Clackamas County, 2019

Source: U.S. Census, 2013-2017 American Community Survey 5-Year Estimate; Clackamas County Housing Needs Analysis; RLIS; and Oregon Housing and Community Services Manufactured Dwelling Park Directory (as of April 2019). Image source: Justin Pritchard and Equity Pacific Real Estate LLC.

Manufactured Housing (MH)



- Clackamas County has approximately 10,471 MHs, representing 9% of the county's single-family detached dwelling units and 6% of the county's total dwelling units.
- An estimated 23,848 residents live in MH. About 84% of households living in an MH own their own home while 19% rent their home.

Manufactured Housing Community (MHC)



- About 6,000 MHs (53%) in Clackamas County are located in an MHC. These homes represent 5% of the county's single-family detached dwelling units and 4% of the county's total dwelling units.
- Nearly half (48%) of the MHCs in the county are located in Urban Unincorporated Clackamas County and more than half (56%) of all MHs in MHCs are in Urban Unincorporated Clackamas County.

¹⁶ According to the U.S. Department of Housing and Urban Development, in 2018, Clackamas County's Median Family income was \$81,400.

Exhibit 16. Characteristics of Manufactured Housing Communities, Clackamas County, 2019

Source: RLIS, Oregon Housing and Community Services Manufactured Dwelling Park Directory as of April 2019. *Note1: total acreage and land value was not available for all communities and some communities may include additional parcels. Note2: In MHCs, each MH is located on its own "space." The number of MHs, plus the number of vacant spaces (if any), equals the total number of spaces in an MHC.

	Urban Unincorporated		Rural Unincorporated		Incorporated		Clackamas County Total
	#	% of Total	#	% of Total	#	% of Total	
Total MHCs	46	48%	27	28%	23	24%	96
Total Spaces in MHCs	3,355	56%	1,176	19%	1,514	25%	6,045
MHCs by Number of Spaces							
4 to 30 spaces	16	17%	13	14%	5	5%	34
31 to 100 spaces	21	22%	11	11%	15	16%	47
101 to 200 spaces	5	5%	3	3%	3	3%	11
201 spaces +	4	4%	0	0%	0	0%	4
Type of MHC							
55+	14	15%	2	2%	8	8%	24
Family	32	33%	25	26%	15	16%	72
Estimated Land Value per Acre*		\$211,896		\$88,165		\$179,354	\$155,389
MHCs with > 10 vacancies		0		0		0	5

Who lives in MHCs and Why?

MHCs are an important source of housing for older retirees and others living on modest incomes. It provides access to homeownership in a smaller, one-level home and a sense of community while remaining relatively affordable.¹⁷ Households living in MHs in the Portland Metro Region are more likely to have: (1) a household member with a disability, (2) an older head of household, (3) lower incomes with higher rates of poverty rates, and (4) lower educational attainment.

Exhibit 17. Selected Household Characteristics, Portland Metro Region, 2015

Source: American Housing Survey, 2015.

Household Attributes	All Occupied Units	Manufactured / Mobile Homes
Disability Status		
At least one member who is disabled	24%	32%
Age (Head of Household)		
Under 30	10%	3%
30 to 54	48%	46%
55 or Older	42%	51%
Income, Annual		
Less than \$40,000	30%	45%
\$40,000 to \$79,999	29%	33%
\$80,000 and more	41%	22%
Poverty		
Severe Poverty	4%	5%
Below the Official Definition of Poverty	10%	17%
Educational Attainment		
Less than 9th Grade / No Diploma	7%	17%
High School Graduate (incl. equivalent)	41%	64%
Some College to Graduate Degree	52%	19%

¹⁷ Tremoulet, Andr e. (2010). *Policy Responses to the Closure of Manufactured Home Parks in Oregon*. Dissertation, Portland State University.

How do MHCs provide affordable housing?

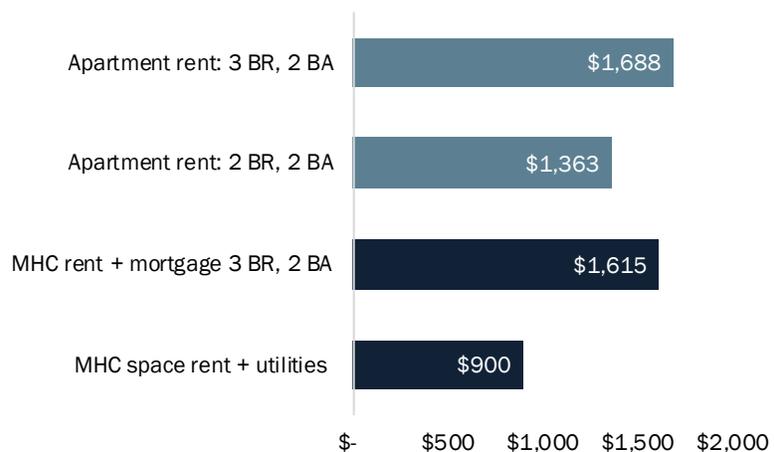
MHCs are an important source of *naturally occurring* (unsubsidized) affordable housing for households with low to moderate incomes. These homes provide access to affordable homeownership in a smaller, one-level home and a sense of community.¹⁸ As owner-occupied housing, it is affordable to households earning about 50% to 90% of median income. Households who rent their home and the space it is on may pay even less.

Living in an MHC as a homeowner is more affordable than renting an average-cost apartment in Clackamas County.

Even with loan payments, housing costs are slightly less for MHC residents.

Exhibit 18. Comparison of Monthly Housing Costs, Clackamas County, 2019

Source: Commonworks Consulting MHC Rent Survey April 2019, Multifamily NW Fall 2018.



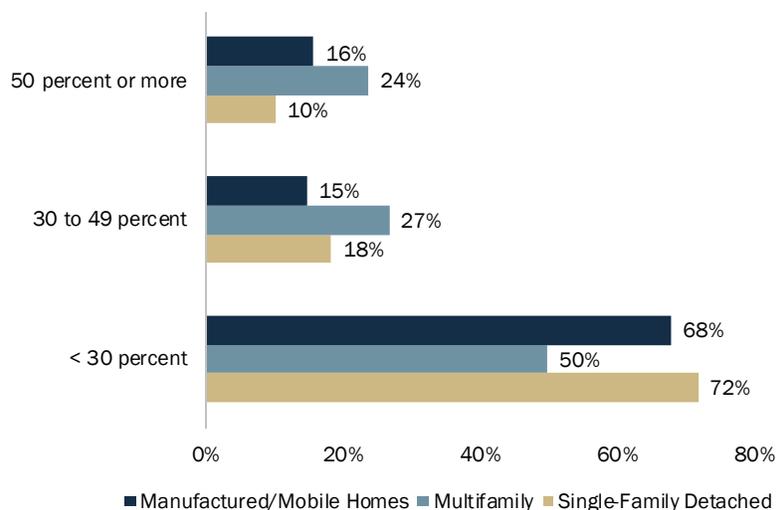
More than two thirds of MH residents are not housing cost-burdened in the Portland Metro Region.

About 68% of MH residents pay less than 30% of their income for housing costs.

Fewer MH residents are cost-burdened or severely cost-burdened (pay more 50% or more for housing costs) than households living in multi-unit housing.

Exhibit 19. Comparison of Housing Cost Burden, Portland Region, 2015

Source: American Housing Survey 2015



¹⁸ Tremoulet, Andr e. (2010). *Policy Responses to the Closure of Manufactured Home Parks in Oregon*. Dissertation, Portland State University.

Clackamas County has almost twice as many MHC spaces as government-assisted housing units.

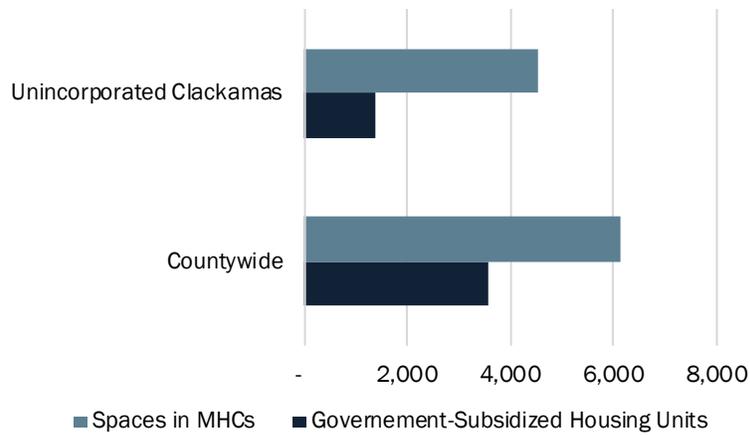
There are more than three times as many MHC spaces as government-assisted housing units in the unincorporated area of the county.

Unlike most government-assisted homes, MHC are predominantly owner-occupied.

Government-assisted housing provides housing affordable to households with much lower incomes.

Exhibit 20. Supply of Government-Assisted Housing Units & MHC spaces, Clackamas County, 2018

Source: RLIS, Oregon Housing and Community Services Affordable Housing Inventory (as of January 2018), and Oregon Manufactured Dwelling Park Directory (as of April 2019).



In summary, data confirms the role that MH and MHCs communities play in providing affordable housing in the county. MH presents an opportunity for homeownership that would otherwise be out of reach for households with modest incomes and it provides an opportunity for working-class retirees to age in place in a community of their choosing. However, this form of homeownership is not without inherent vulnerabilities, discussed in the next section.

4.3 Inherent Vulnerabilities of MHCs

Living in an MHC as a homeowner carries substantial risks not inherent in other housing options. This situation involves a homeowner placing a home that is not easily mobile on rented land. This arrangement, sometimes called divided asset ownership, confers leverage to MHC landlords/investor/owners.

Some landlords manage MHCs as a long-term investment; it is their best interest to ensure that residents can afford rent increases and that the community provides a good living environment. Other landlords, especially larger absentee owners with little connection to the community, may prioritize return on investment above other concerns.

Since 2017, some very large private equity firms, real estate investment trust (REITs), and institutional investors have entered the MHC business nationally. These firms include Yes! Communities (with the Government of Singapore as a major investor), Inspire Communities (Apollo Global Management), Treehouse Communities (Blackstone Group), and Carlyle Group. From an investor perspective, MHCs can offer a “strong and steady return of 4 per cent or more—around double the average US real estate investment trust return,” according to a 2019 report in *The Financial Times* (Foroohar, 2019). While investment goals vary from one firm to the next, a common strategy is to invest capital from institutional investors into businesses, make

changes to increase cash flow, then sell the businesses or take them public after four to six years (Baker, 2019).

The most stable communities are owned by the residents themselves or nonprofit owners. The State of Oregon has programs and policies to support voluntary purchases of MHCs by resident cooperatives and nonprofits. There are 23 such communities statewide with 1,290 spaces, according to Network for Oregon Affordable Housing. Clackamas County has two resident-owned communities, Clackamas River Village (with 142 spaces) and Two Rivers Homeowners Cooperative (with 76 spaces). CASA of Oregon helped organize and arrange the purchase of these two communities. CASA is an affiliate of the national network of organizations that help MHC residents organize, finance, purchase and manage resident-owned communities, ROC USA. Two nonprofit organizations, St. Vincent de Paul of Lane County and NeighborWorks Umpqua, purchase and manage MHCs in Oregon as permanently affordable housing communities and, along with CASA, work with Oregon Housing and Community Services, Network for Oregon Affordable Housing, and other partners to preserve this affordable housing option in the state.

4.4 Displacement Drivers for Manufactured Housing Communities

Among MHC residents, there are two types of displacement: (1) displacement of individual residents due to issues like rent increases and poor management practices and (2) displacement of all the residents living in a community due to MHC closures. Of the five housing displacement drivers listed earlier in this paper (see Exhibit 2), three factors in particular affect the likelihood of displacement for residents in MHCs:

- **Rent Increases:** Residents with modest, fixed incomes cannot afford big jumps in housing costs. The Portland Region's average MHC space rent was \$612/month (2018). As analyzed by Marcus Millichap, \$612/month per space was the fourth highest rental cost per space among the 21 metro areas nationally (Marcus et al, 2019). The annual average increase for Portland was 6.1 percent, the third highest (Marcus et al, 2019). Future rent increases are constrained by the adoption of SB 608 in 2019, which sets a ceiling of 7 percent plus the change in the Consumer Price Index ceiling during any 12-month period.
- **Management and Maintenance Issues:** While many MHCs are well-run, management and maintenance issues present an ongoing concern for residents of MHCs statewide. Failing septic and water systems, potholes, unsafe play equipment, dead trees, a closed swimming pool and a run-down community center are indicators of under-investment in MHC maintenance by the owner.
- **Redevelopment Pressures:** A growing population and a robust economy in our region has the effect of pushing up land prices and spurring new, denser housing development. This can result in the sale and closure of MHCs for more remunerative uses, as it did during the real estate boom of the early 2000s, when 63 MHCs closed in the state, displacing approximately 2,300 households.

4.5 Displacement Risk Indicators

Displacement risk indicators are data points that can be queried to determine if potential risk of displacement exists, where it may exist, and what warrants further investigation.¹⁹ The five risk indicators studied²⁰ are: (1) MHC sale patterns and outliers, (2) high vacancy rates, (3) sharply rising land values or new development nearby, (4) patterns of complaints from residents, and (5) infrastructure failure. We describe each indicator in detail in the following sub-sections.

MHC Sale Patterns and Outliers

Sales of MHCs are not unusual, but sales with prices outside the norms or sales to a large private equity firm or REIT could be cause for concern. Eighteen percent of the county's MHCs (17 of 99 total MHCs) were sold in the five-year period of 2013-2018.²¹ Most of the MHCs were mid-sized (31-100 spaces), and one, Highland View Mobile Park, had a substantial number of space vacancies. In addition to these sales, Country Village Estates, said to be the state's largest MHC with more than 500 spaces, sold in early 2019 to a major national investor, Sun Communities, located near Chicago, Illinois.

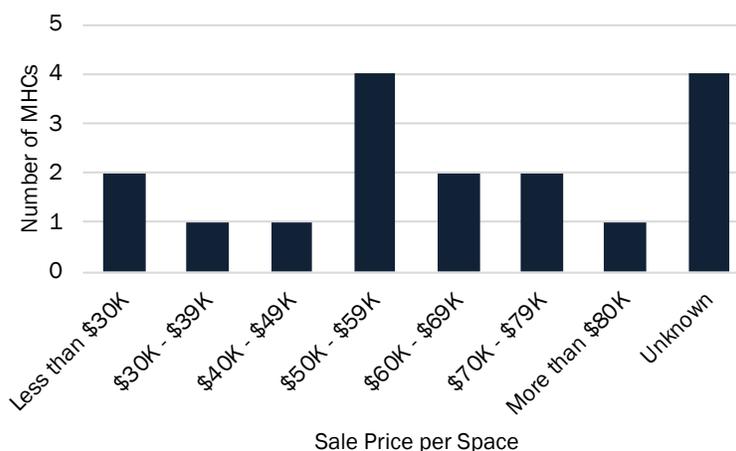
MHC sales prices between \$30,000 and \$80,000 per space are the norm.

Prices outside this range warrant further investigation by staff.

Of concern are high value sales. The buyer may be purchasing the MHC to acquire the land for redevelopment; this may be particularly true if it is zoned for non-residential uses.

Exhibit 21. Sale Price per Space of MHCs, Clackamas County, 2013-2018

Source: Clackamas County Assessment & Taxation and Oregon Housing and Community Services, Manufactured Community Resource Center.



¹⁹ Displacement risk indicators help detect the likelihood of displacement occurring. The indicators do not imply that displacement will necessarily occur; instead, they indicate a need for follow-up to obtain first-hand information about current conditions.

²⁰ Displacement risk indicators are determined in part by the kinds of data available for and relevant to that area. Other displacement risk indicators could include data such as information on changes in lease terms; new flood zone, tsunami or earthquake maps that show new environmental hazards, or information from housing condition surveys.

²¹ An initial analysis identified 40 MHCs that had "transacted" in 2013-2018. Many of these transactions did not appear to represent a true arms-length sale. Instead, they appeared to represent a change in ownership form (from an individual to an LLC, for example) with the same people in charge, or the addition of adult children as new co-owners as the original owner aged. With the assistance of brokers familiar with the local market, 17 true arms-length transactions were identified.

Two MHC sales, outlined below, warrant further exploration. Section 5.2 provides ideas about how Clackamas County could initiate outreach to the identified MHC owners.

- The seven-space Forest Park Mobile Village in Oregon City sold in 2013 for more than \$200,000 per space.
- The sales price for County Village Estates, the 500+ space MHC, was \$61,770,000, which is more than \$120,000 per space.

In addition, the following MHCs have provided notice to the state that they are for sale (as required by state law) and warrant follow-up²²:

- Carver Mobile Home Park, Damascus, 61 spaces. *Notice 2/16/18*
- Cherry Lane Mobile Park, Oregon City, 66 spaces. *Notice 7/12/18*
- Concord Terrace, Portland, 87 spaces. *Notice 7/16/2018*
- Big Foot MHC, Sandy, 40 spaces. *Notice 9/27/18*
- Riverbend MHC, Clackamas, 208 spaces. *Notice 12/17/18*
- Mountainview Mobile Estates, 41 spaces. *Notice 1/29/19*

High Vacancy Rates

High vacancy rates (a high percentage of vacant spaces in an MHC) may be an indicator that the property owner does not intend to continue to operate an MHC but instead sell the land or convert it to another use. It may also be an indicator of extensive delayed maintenance, causing partial failure of utility systems or other problems that render park of the MHC uninhabitable.

The state lists five MHCs in the County with more than 10 vacant spaces.²³ These five communities warrant follow-up:

Rural Unincorporated

- Highland View Mobile Park: Family MHC, 51 of 65 spaces vacant

Urban Unincorporated

- Oak Acres: Family MHC, 82 of 270 spaces vacant
- Riverbend: Family MHC, 27 of 208 spaces vacant

²² List of Notice of Sale provided by Oregon Housing and Community Services, Manufactured Communities Resource Center, appears to be current as of 2/15/2019. <https://www.oregon.gov/ohcs/CRD/mcrc/docs/Notice-of-Intent-to-Sell-Manufactured-Home-Park.pdf>

²³ Source: Oregon Housing and Community Services, Manufactured Communities Resource Center, Park Directory. <https://www.oregon.gov/ohcs/Pages/manufactured-dwelling-park-services-oregon.aspx> Publication date not provided; it is not known when vacancy data were last updated.

- Steeves Mobile City: 55+ MHC, 12 of 270 spaces vacant

Incorporated

- Indian Oak: Family MHC, Canby, 11 of 144 spaces vacant

Sharply Rising Land Values or Nearby Development

The pattern of MHC closures in Oregon during the real estate boom of the early 2000s showed that residents in MHCs in urban unincorporated areas are the greatest risk of displacement than MHC residents in rural unincorporated areas. An analysis of the 63 Oregon MHC closures found that MHCs in urban unincorporated areas of the state were about five times more likely to close than MHCs in rural unincorporated areas, controlling for population growth. MHCs in incorporated areas (cities) were 4.66 times more likely to close than MHCs in rural unincorporated areas, controlling for population growth. The difference between urban unincorporated and incorporated areas was not statistically significant. The study also found that likelihood of closure was related to the rate of population growth of the county (Tremoulet, 2010). **Thus, research suggests that redevelopment is more likely to occur in the urban unincorporated area than in the rural unincorporated area.**

The high average value of land in the urban unincorporated county further suggests that MHCs in this area may be under the greatest economic pressure for redevelopment, especially if the underlying zoning allows commercial, mixed use or high-density residential development.

Land in the urban incorporated area has the highest average value.

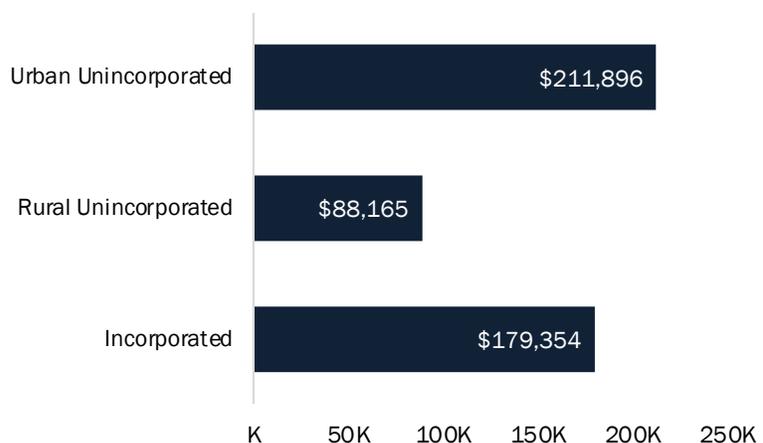
The value of land used as MHCs in the urban unincorporated area is approximately 2.4 times the value of the land in the rural unincorporated area.

Thus, MHCs in the urban unincorporated county are likely under the greatest economic pressure for redevelopment.

This exhibit compares the value of land currently used for MHCs in the three areas of the county.

Exhibit 22. Assessed Value of Land Used for MHCs, Clackamas County, 2018

Source: RLIS, Oregon Housing and Community Services Manufactured Dwelling Park Directory as of April 2019. Note: Total acreage and land value not available for all communities. Some communities may include additional parcels.



Patterns of Complaints by Residents

Clackamas County Dispute Resolution Services is the referral entity for mediation requests originating in Clackamas County. Staff report that they received five referrals for mediation in 2017 from the state and four in 2018. Issues included fire danger, rent, park safety, sewer, fencing, general management, parking access and eviction and neighbor-to-neighbor concerns.

It is likely that these referrals represent only a small share of the concerns that exist because MHC residents may be unaware of the free mediation services or be reluctant to take action for fear of potential retaliation by MHC management. Additional ways to find out about MHC resident concerns and problems are needed.

Infrastructure Failure

Shared utility systems are the responsibility of the MHC owner to maintain. Underinvestment in maintenance and inadequate initial construction standards can lead to failed infrastructure systems and unlivable housing conditions for residents. In rural areas, MHCs may depend on septic systems and well water, and both are prone to issues if not managed properly.

According to Clackamas County Septic and Onsite Wastewater Program, there are no longer any major known failing septic systems in MHCs. This agency is the entry point for reporting Clackamas County septic problems. Smaller systems are handled directly by the county, and larger cases are handled by Oregon DEQ Onsite Wastewater Management Program.

4.6 Key Takeaways

By providing housing for about 24,000 residents, MHs are likely the county's largest source of unsubsidized affordable housing for households earning 50% to 90% of the County's median income, especially older residents and those living on a modest income. Clackamas County has almost twice as many MHC spaces as government-assisted housing units.

Living in an MHC as a homeowner is more affordable than renting a comparably sized apartment in Clackamas County. Fewer MH residents are cost-burdened (paying more than 30% of their income for housing costs) or severely cost-burdened (paying more than 50% of their income for housing costs) than households living in multi-unit housing. However, living in an MHC as a homeowner carries substantial risks not inherent in other homeownership options because the homeowner does not own the land. This leads to a high risk of displacement. MHC residents in Clackamas County are vulnerable to two types of displacement:

- **Displacement of individual residents** due to issues like rent increases and poor management practices. The Portland Region's space rent is one of the highest in the country. Some investors buy MHCs and increase space rents beyond what homeowners can pay. Any increases in space rents can be hard for residents on fixed incomes to afford. In addition, maintenance issues and lack of capital improvements can lead to some MHC residents not being able to stay in their units.

- **Displacement of all the residents** living in a community due to MHC closures. This can be the result of development interest in an area and the creation of new, denser housing development in place of existing MHCs.

To detect the likelihood of displacement occurring, Commonworks' identified several displacement risk indicators. Based on Commonworks' analysis of these indicators:

- Several recent sales of MHCs are outside industry norms and raise questions about the new owner's intentions for the property. In addition, owners of at least six MHCs with more than 500 spaces have given notice that their communities are for sale.
- There are several MHCs with high vacancy rates that might be at risk of redevelopment.
- Redevelopment is more likely to occur in the urban unincorporated area than in the rural unincorporated area.
- The level of resident complaints is likely understated in the data, which warrants additional follow up.

Overall, the most stable communities at the least risk of displacement are owned by the residents themselves or nonprofit owners.

5 Policy Solutions: What types of policy solutions could Clackamas County consider?

The Authors of this paper recommend that the Affordable Housing Task Force consider a range of policy solutions to address renter displacement and to preserve/improve MHCs as a housing choice. While specific attention is warranted in Urban Unincorporated Clackamas County, the County can implement most of these policy options at a regional scale.

This section categories policy options as solutions to:

- (1) alleviate the risk of renter displacement in Clackamas County, and
- (2) preserve/improve MHCs.

5.1 Prevent and alleviate the risk of housing displacement in Urban Unincorporated Clackamas County

Following are potential policy solutions Clackamas County may implement to prevent and alleviate the risk of housing displacement in the region.

Preserve existing rent-restricted affordable housing in Urban Unincorporated Clackamas County

Government-subsidized / rent restricted affordable housing units are an integral component of any housing market. Most of these units are not permanently affordable (the affordability contracts expire). Clackamas County currently has 3,558 rent-restricted, affordable housing units (1,390 units within unincorporated areas). The County should work with partners to alleviate the risk that owners of government-subsidized housing developments will convert these units to market-rate upon expiration of the affordability-term.

The County is not likely to directly acquire property, but it could work with partners to ensure rent-restricted affordable housing is preserved.

Resume Investments in Community Land Trust (CLT)

- a) **Description:** A CLT is typically a nonprofit organization that retains long-term in deed-restricted property that provides affordable home ownership to income-qualified buyers. Because the land is not included in the housing price for tenants or buyers, CLTs can achieve below-market pricing. Clackamas County helped create the Clackamas Community Land Trust in the late 1990s-early 2000s, which merged with the regional CLT, Proud Ground, in 2012. Proud Ground works with 48 CLT homes in Clackamas County.
- b) **Rationale:** CLTs are commonly used to support affordable housing goals. CLTs are purposed for long-term stewardship of land and buildings. Land/buildings acquired may have need for remediation or redevelopment. Land/buildings can be acquired to preserve affordability, prevent deferred maintenance, or protect against foreclosures.
- c) **Partners:** Proud Ground is Oregon’s premiere land trust model serving five counties, including Clackamas County. Proud Ground is the largest land trust in the Pacific Northwest with over 300 homes in its portfolio. Clackamas County leadership / staff should open a dialogue with Proud Ground to learn how they could address the County’s housing goals.
- d) **Implementation:** Generally, CLT land is acquired through: (1) open market, (2) donation, (3) receipt of “surplus” public property, or (4) receipt from land bank. Clackamas County could donate property to Proud Ground, to be held in trust.

With Metro Affordable Housing Bond financing, Clackamas County has an opportunity to once again invest in creating permanently affordable homeownership opportunities through a CLT.

Jurisdictions that Proud Ground serves, on average, provide monetary funding equating to about three homes per year. Clackamas County is an exception. Clackamas County could stipulate a homeownership action in their Housing Action Plan so that Proud Ground can apply for funding through the County.

Construction
Excise Tax
(CET)

- a) **Description:** CET is a local tax assessed on new construction. The tax is assessed as a percent of the value of the improvements for which a building permit is sought, unless the project is exempted from the tax. CETs may be assessed on residential development, commercial/industrial development, or both. The tax is limited to 1% of the permit value on residential construction but uncapped on commercial and industrial construction.
- b) **Rationale:** The County can use CET revenue to develop programs or enhance existing programs aimed at preserving affordable housing.
- c) **Implementation:** Under SB 1533, a governing body of a county may impose a CET by adoption of an ordinance or resolution that conforms to the requirements of this section and ORS 320.195.

CET provides a relatively flexible source of funding for affordable housing projects and incentives, but these uses must comply with state statutes. CET pairs well with other commonly-used tools, as it provides a funding source for foregone revenue from property tax abatements or SDC or fee waivers. CET has the potential to generate a stream of revenue for affordable housing over time.

Where housing demand is sufficiently high relative to supply, CET may be passed on in the form of higher housing costs. Because CET revenue is development-derived, it will fluctuate with market cycles.

- d) **Unanswered Questions:** (1) If the County imposes a CET on commercial / industrial construction, what rate will it choose? (2) If CET is implemented, will funds be geographically focused? (3) How will CET impact development feasibility? (4) How will the funds be used?
- e) **Examples:** Tillamook County implemented a CET on residential and commercial improvements to provide funding for workforce housing. The tax is 1% of the value of the residential / commercial improvement. Tillamook County does not impose the tax on residential housing units guaranteed to be affordable (to households earning 80% of Median Household Income) for at least 30 years following Certificate of Occupancy.
-

Preserve existing multifamily, market-rate, affordable housing within Unincorporated Clackamas County

In addition to preserving government-subsidized units, Clackamas County should also preserve market-rate affordable housing within its unincorporated areas. The affordability of market-rate affordable housing is vulnerable to market pressures that suggest displacement is likely, especially when the housing units are rehabilitated or improved.

Develop inventory of properties

- a) **Description:** Local governments may develop an inventory, or database, of affordable market-rate, multifamily properties that require rehabilitation and preservation. This may be done by conducting drive-by inspections or gathering information from housing providers (like the local housing authority). The inventory could describe properties with objective appearance problems to obvious structural issues. It could include rent and/or property value trends and historical acquisition and redevelopment data. Clackamas County may use the database to conduct outreach with and share resources with property owners.
- b) **Rationale:** Older homes can present health and safety hazards for residents (e.g. mold can spread illness, weak floors can create tripping hazards). Clackamas County could use the database as a resource to contact property owners to communicate rehabilitation incentives or other resources.
- c) **Implementation:** The County, using GIS, should develop a database of properties in urban unincorporated areas that maintains housing attributes of interest (see description) at the parcel level. The database could combine existing resources such as RLIS and the county's building / planning permit database.

The County could connect property owners to its NCRA Housing Rehabilitation Program or its Home Repair Loans and Home Accessibility Grants.

The County should use this database to inform a predictive model to help identify areas at risk of housing displacement at a more granular level.
- d) **Partner.** Clackamas Housing Authority. Homes that cannot pass a basic inspection may not house Housing Choice Voucher recipients or qualify for a Project Based Voucher. It is possible that the Clackamas County Housing Authority would help develop the database as a shared resource.
- e) **Unanswered Questions:** (1) What attributes would be recorded in the database? (2) How often would the database be updated (e.g. a rolling basis, annually, every five-years)? (3) Could the County implement an internship program to assist with data collection and organization?

Improve or Expand the County's Weatherization Programs

- a) **Description:** Home weatherization includes improving insulation, upgrading furnaces, updating appliances, and reducing safety risks (e.g. electrical problems, extensive moisture or mold issues, etc.). Clackamas County currently has a weatherization program with a 12-18 month waiting list.
- b) **Rationale:** Weatherization upgrades are often deferred in older housing stock making these units less resilient to extreme weather impacts, especially in winter months. Deferred weatherization can lead to high energy costs which present a financial burden, especially on households with limited or lower incomes. Deferring maintenance can sometimes lead to more extensive damage and increased costs down the road as well.

Weatherizing older housing stock is critical to ensure efficient energy use and energy savings. Such savings allow financially-burdened households (or the owners of subsidized housing projects) to reduce avoidable spending. Weatherization programs also generate economic activity, promoting jobs in weatherization. A study by Oregon Housing and Community Services found that for each job associated with a weatherization program, 1.66 jobs is produced across Oregon.²⁴
- c) **Implementation:** The County could partner with private companies to improve and expand their existing weatherization programs with a goal of reducing wait times. The County could consider options to expedite the auditing process when providing weatherization services.
- d) **Unanswered Questions:** (1) How often are existing weatherization programs evaluated for effectiveness? How often should they be evaluated? (2) What barriers exist, that if alleviated, could improve weatherization program outcomes?

Evaluate Enforcement Procedures

- a) **Description:** Code enforcement is the “prevention, detection, investigation and enforcement of violations of statutes or ordinances regulating public health, safety, and welfare, public works, business activities and consumer protection, building standards, land-use, or municipal affairs.”²⁵ Municipalities may rely on one or more code enforcer to investigate claims of non-compliance.
- b) **Rationale:** Property owners / landlords that abide by a housing maintenance code ensures that inhabitants are in a space that is safe from environmental health hazards. Proper maintenance of dwelling units also preserves housing stock for years to come. Lower-income residents who may not have the same opportunity to move out of neglected, affordable units may benefit from more strict enforcement procedures from the County.
- c) **Implementation:** Clackamas County may rely on one or more code enforcers to investigate claims of non-compliance. Clackamas County may evaluate how existing code complaints are received to determine the extent that the existing approach is sufficient.

Clackamas County does not currently have a housing maintenance code to requires landlords to maintain living conditions for tenants, citing the issue as a landlord/tenant issue and a civil matter.²⁶ The County could consider development of such a code, modeled after the City of Eugene's Rental Housing Code.²⁷

Reduce Permitting Fees in exchange for maintaining lower rent

- a) **Description:** Clackamas County can help preserve affordable, market-rate multifamily units by relaxing or waiving building permit fees for rehabilitation projects in exchange for guarantying housing affordability.
 - b) **Rationale:** Permitting fees present a barrier to preserving housing. Reducing or waiving fees specific to renovation projects (e.g. roofs or foundations), can motivate property owners to improve housing conditions at lower costs. Newly rehabilitated homes heighten housing displacement risk if property owners increase rents to pay for the improvements.
 - c) **Implementation:** Clackamas County may choose to waive permitting fees in exchange for guarantying housing affordability for a defined period of time. Clackamas County may develop criteria to evaluate projects that may receive these incentives. The County could host focus groups or conduct a survey to understand how this program could be most useful to property owners / managers.
 - d) **Unanswered Questions:** (1) How would this program be administered and enforced? (2) How long would housing affordability be guaranteed? Would the County consider a sliding scale that ranges by permit cost? (3) What criteria would the County use to determine if a property owner / manager qualifies for the waiver?
-

²⁴ Torgerson, Melissa. N.d. "The Economic Impacts of Oregon's Low Income Weatherization Program: An Input-Output Analysis: Executive Summary." Retrieved from https://www.oregon.gov/ohcs/CRD/SOS/docs/Wx_Economic_Impact_Analysis.pdf

²⁵ California Association of Code Enforcement Officers. What is Code Enforcement? <https://www.caceo.us/page/10>

²⁶ <https://www.clackamas.us/codeenforcement/faq.html>

²⁷ <https://www.eugene-or.gov/DocumentCenter/View/2120/Rental-Housing-Code-EC-84?bidId=>

Prepare to build new dwelling units in urban reserves or in the Urban Growth Boundary

Clackamas County's urban reserves present a unique opportunity for future development of affordable housing. Urban reserves are lands located in unincorporated areas within Metro's UGB. Urban reserves suitable for accommodating urban development over 50 years after their designation.

Land Bank
Areas within
Urban
Reserves

- a) **Description:** Land Banks are typically public or quasi-public entities that retain short-term ownership of acquired vacant, blighted, or environmentally-contaminated lands.
- b) **Rationale:** A land bank may be established to manage financial and administrative resources, including strategic property disposal, for the explicit purpose of supporting affordable housing development.
- c) **Implementation:** If Clackamas County is interested in this strategy, they may partner with nonprofits or manage their own land bank. Clackamas County may also donate, sell, or lease publicly-owned land for the development of affordable housing even if they are not a formal 'land bank' authority or organization.

Land banks are typically managed by a board of political appointees, although some seats may be filled by community representatives (residents or stakeholders). The board may be appointed by the county commission.

The cost of land banking includes those associated with land acquisition, those associated with maintaining the land in a suitable condition until it disposes of it, and those associated with transferring the property to a new owner.

- d) **Unanswered Questions:** (1) Can the County use Metro Housing Bond funds to accomplish land banking objectives in Urban Reserves, or will it need to consider another funding source?

Strategically
Use County-
Owned
Property

- a) **Description:** Vacant publicly-owned land, particularly in areas with many available amenities, present opportunities for residential development. In areas with residential housing shortages, county-owned properties are viable for development, particularly affordable housing.
- b) **Rationale:** High land costs and limited development opportunities, especially for affordable housing, require strategic use of publicly-owned land.
- c) **Implementation:** To strategically use county-owned land for affordable housing, the County might first identify appropriate parcels, whether through an existing or new inventory of available land. The County may then make these parcels available through a public process. The County may also wish to consider creating mixed use properties, with public facilities on the ground floor and affordable housing adjacent or above.
- d) **Unanswered Questions:** (1) Will non-profits or all developers be eligible for public-lands? (2) Would lands be offered at fair market value, at a discount, or at no cost? (3) Would the county require developers to provide a proven record of past, successful housing projects? (4) Would the County require development to occur and complete within a certain timeframe? (5) Would the County set parameters such as the housing project must be multifamily, the project must be deed-restricted affordable, the project must be affordable to households with incomes below the area median income, etc.?

Build capacity of existing renters

Empower households, who rent, to make choices that transform their existing situations.

Develop Program Aimed at Supporting Renters to Become Homeowners

- a) **Description:** Clackamas County may provide support to renters in their pursuit of becoming homeowners. The County may also provide support to residents in manufactured housing parks (who own their home but not the lot) to form a cooperative (a group of people organized for the purpose of owning and operating a housing park for the benefit of its members on a not-for-profit basis).
- b) **Rationale:** Responsible homeownership is one of the most effective (and primary ways) for households and individuals to build wealth. In Oregon, renter households are more likely to be at risk of displacement than homeowners.
- c) **Implementation:** Specific actions the county may evaluate are: (1) targeted homebuyer counseling and assistance, (2) matched savings accounts, (3) financial literacy education programs, and (4) housing cooperative education.
- d) **Partners:** For those renting apartments or houses, Clackamas County may consider a partnership with the Portland Housing Center, which provides guidance, financial services, and homebuyer education to Portland-area residents. Additional information about creating resident-owned manufactured housing communities can be found in Section 5.2 below.

Create educational programs and organize focused outreach activities

Clackamas County may develop program to encourage responsible rental relationships.

Landlord Education or Training Program

- a) **Description:** Clackamas County could offer classes, workshops, or literature geared toward landlords to discuss a range of topics that aid in alleviating landlord-tenant concerns.
- b) **Rationale:** To communicate and educate on a range of topics including such as: the Housing Choice Voucher program (to address the extent to which landlords discriminate against voucher recipients) or tenant / landlord laws and rights (to communicate responsible rental relationships).
- c) **Implementation:** Work with existing agencies or nonprofits to develop a curriculum for landlords. Clackamas County may need to find suitable funds (e.g. through CET) to finance the program and bring in speakers or instructors.

Tenants Education and Rights

- a) **Description:** Clackamas County could offer classes, workshops, or literature geared toward tenants to discuss a range of topics that aid in alleviating landlord-tenant concerns.
- b) **Rationale:** To educate tenants so they may be empowered to advocate for safe and affordable rental homes.
- c) **Implementation:** Work with existing agencies or nonprofits to develop a curriculum for tenants. Clackamas County may need to find suitable funds (e.g. through CET) to finance the program and bring in speakers or instructors. Clackamas County may consider partnering with the Community Alliance of Tenants and Fair Housing Council of Oregon.

5.2 Preserve manufactured housing communities

Listen and Learn

Before initiating policy actions, invest time in understanding the challenges and issues of MHCs from the perspective of residents, managers, and owners.

- | | |
|---|--|
| Organize staff capacity and conduct initial outreach to MHC residents | <ul style="list-style-type: none">a) Description: Convene County staff who work with residents of MHCs to pool knowledge, to identify issues and gaps in understanding, and to identify potential actions. Conduct initial outreach with a sample of MHCs to create lines of communication and collect initial information about opportunities and challenges.b) Rationale: A number of County agencies currently have contact with residents who live in MHCs, either as individual clients or as a group. However, current knowledge is fragmented.c) Implementation: Clackamas County may want to pool existing knowledge and contacts, then convene staff to identify knowledge gaps, resident needs, key contacts, and ideas about how to better align outreach. Prioritize outreach to MHCs with one or more displacement risk indicators as identified in this report, and then add a sample of MHCs with differing sizes, locations, types of owners (small, local v. corporate, out-of-state) and resident populations (family v. 55+), identify resident contacts, develop list of open-ended questions to ask, and conduct outreach. Reconvene and discuss.d) Partners: Primary: community mediation, social services, aging and disability services, housing rehabilitation, weatherization, planning, housing and community development, housing authority. Secondary: water, sewer, health, law enforcement, and fire services.e) Note: See the materials in the Local Agency Toolkit (Resources listed at end) |
| Conduct outreach to owners (landlords and investors) of MHCs | <ul style="list-style-type: none">a) Description: Starting with MHCs with indicators of vulnerability, initiate outreach to managers and owners to identify issues, needs, concerns, and if/how the County might help. Facilitate follow-up with appropriate county agenciesb) Rationale: Initiating outreach demonstrates interest in MHCs and enables staff to understand issues and, as applicable, provide assistance. This option may also provide insight into the investment goals of owners and their plans for the MHCs.c) Implementation: Prioritize outreach to MHCs with indicators of vulnerability, and then larger MHCs. Oregon Housing and Community Services' MCRC list includes contact information for managers of communities.d) Partners: See the materials in the Local Agency Toolkit. |

Save and Preserve MHCs

MHCs provide essential lower-cost affordable housing to thousands of county residents. It is less costly to preserve existing affordable housing than build new. MHC homeowners contribute their own assets, income and energy toward addressing their housing needs, as do MHC owners—largely without government subsidy. It is cost-effective to enact policy to support and preserve this housing form.

- Rezoning
- a) **Description:** Consider amending the Comprehensive Plan policies and map and the Zoning code and map to preserve MHCs.
 - b) **Rationale:** The county has an interest in supporting and preserving lower-cost affordable housing and can do so through policy/regulation, incentives, partnerships and strategic investments. A rezoning approach need not deny the possibility of redevelopment; instead, it could ensure that the county has a role in determining the future use of these sites and has time to consider options and ways to support the wellbeing of existing residents. Rezoning could provide stability and a greater voice for MHC residents in their future and potentially offer added value (perhaps through increased density) to MHC owners.
 - c) **Implementation:** There are three different land markets/regulatory areas for MHCs: cities, unincorporated areas inside the UGB (urban) and unincorporated areas outside the UGB (rural). Focus initially on zoning strategies to preserve MHCs inside the UGB, as these likely face the greatest redevelopment pressure. Potentially invite cities to coordinate/participate. Second priority should be preservation of MHCs inside the UGB expansion areas. Third priority should be developing a strategy MHCs in the rural area.
 - d) **Partners:** Planning, cities, MHC residents, housing advocates
 - e) **Examples:** The City of Portland approved a new single-use base zone for MHCs in 2018. The new zone resolved non-conforming uses and consolidated all MHCs under one zoning designation. The City of Tumwater, Washington also has a MHC zone.
-

Support the voluntary sale of MHCs to resident groups as ROCs (resident-owned communities) and to non-profits or a housing authority as permanently affordable housing

- a) **Description:** ROCs or non-profit ownership provide stability, predictability and affordability for residents. The MHCs are acquired at market value from willing sellers with financing and incentives from Oregon Housing and Community Services, private lenders and various grant sources. For ROCs, an expert nonprofit that is an affiliate of ROC USA (CASA of Oregon) works with residents to conduct a feasibility analysis, provide extensive information and training, and facilitate the acquisition. Residents vote on the purchase and manage their own community through a democratic board structure. Nonprofits, like St. Vincent de Paul of Eugene, also purchase and manage MHCs as affordable housing. Housing authorities in the state of Washington have purchased and manage MHCs as permanently affordable housing; the same could occur in Oregon.
- b) **Rationale:** Investments by the county or cities could help fill important financing gaps and help make new purchases feasible. Preserving MHCs is more cost-effective than building new subsidized rental housing, and it provides affordable homeownership opportunities for the long term.
- c) **Implementation:** Initiate dialogue with CASA of Oregon and NOAH to determine the kinds of assistance local government could provide to help create more ROCs and nonprofit-owned MHCs. Identify funding sources, if relevant. Write letters of support to funders. Facilitate conversations with MHC owners, as appropriate. Pass along information about potential sellers, if known.
- d) **Partners:** Clackamas County Health, Housing and Community Services Department (especially the Housing Authority of Clackamas County), Network for Affordable Housing (NOAH), CASA of Oregon, St. Vincent de Paul of Eugene, NeighborWorks Umpqua, possibly cities, if there are willing MHC sellers in cities. Oregon Housing and Community Services provides financing for the purchase of MHCs as permanently affordable housing; local funds could help fill the gap needed to make a purchase possible. Metro Housing Bond funds may also be a potential source of financing.
- e) **Examples:** Clackamas County currently has two ROCs, both organized by CASA of Oregon: Clackamas River Village (142 spaces) and Two Rivers Homeowners Cooperative (76 spaces). According to NOAH, Oregon currently has 23 MHCs that are ROCs or nonprofit owned, with 1,290 permanently affordable homes.

In preserved communities, support efforts to replace older manufactured homes

- a) **Description:** Some older manufactured homes, particularly ones built before the adoption of a national building code for such structures in June 1976, may be showing their age. A program is needed to help homeowners replace old homes in Resident-Owned Communities (ROCs) and other preserved MHCs to promote the health and safety of current homeowners and provide high-quality, energy-efficient housing for future residents.
- b) **Rationale:** Older homes can present health and safety hazards for homeowners—mold, weak floors, leaky windows and roofs, cold bedrooms with insufficient insulation, trip hazards, unsafe electrical systems, temperamental plumbing systems, heating systems that do not draft properly. Providing a means for homeowners to affordably replace manufactured homes beyond repair with new energy-efficient ones can reduce utility bills and greatly improve their quality of life—as well as ensuring that they have a safe and sound home to sell to a new low-income homebuyer when it comes time for them to move. A program like this could be focused initially on ROCs and nonprofit-owned communities that provide permanent affordability.
- c) **Implementation:** Contact CASA of Oregon regarding the two existing ROCs to inquire about their needs and how the county might help. If zoning protections are provided to MHCs in Clackamas County, meet with Network for Oregon Affordable Housing and partners listed below to explore ways of expanding programs to assist homeowners in zoning-protected MHCs.
- d) **Partners:** CASA (supports two ROCs in Clackamas County and has staff working on developing a home replacement program for the ROCs it assists statewide); Energy Trust (has a MH replacement program with energy efficiency incentives); Craft2 (offers a new equitable home chattel financing product for MH replacements); NEDCO (has an office in Clackamas County and is developing a homebuyer education curriculum for manufactured homebuyers); USDA Rural Development (recently created a pilot program in Oregon to help with loans in ROCs and MHCs that are permanently affordable). Existing ECHO (Energy Conservation Helping Oregonians) weatherization funds managed by Clackamas County Social Services Division could be used to help PGE and Pacific Power customers who use electricity for heating/cooling replace their aging manufactured homes meeting certain requirements, Maximum assistance is \$20,000 per home, and Oregon Housing and Community Services has prioritized pre-1980 homes. Funding for a new program to assist with replacement manufactured housing was approved by the Oregon state legislature in the 2019 session. Contact Network for Affordable Housing (NOAH) for additional information.

Improve quality of life in MHCs

Establish ongoing communications with MHC residents, set up a system for referrals and identify unmet needs

- a) **Description:** Invite MHC residents to become engaged with the opportunities and resources available in the County and with the statewide association of manufactured homeowners (MH/OSTA). Assess unmet needs that could improve the quality of life for residents. Assist older residents who want to age in place in their community.
- b) **Rationale:** More than 4,000 people live in MHCs within Clackamas County. Currently, the county does not have a point of contact (ombudsperson) or organized collective knowledge about these communities, yet they provide an important source of affordable housing. Over time, increasing development pressures may further erode the quality and viability of this housing choice. Residents might benefit from increased knowledge of and access to county services and the statewide residents' association.
- c) **Implementation:** Building on the initial outreach of county staff to MHCs outlined in a prior policy recommendation, the County could assist with referrals to appropriate county service departments. The County may develop a process to identify needs, such as an informal advisory committee of MHC residents, a series of workshops, or a questionnaire. Identify ways that existing programs could be modified to address evolving needs and identify potential funding sources for priority concerns. Work with MH/OSTA (Oregon's association of manufactured homeowners) to engage local MHCs with their efforts, network and resources.
- d) **Partners:** County departments, MH/OSTA, OHCS Manufactured Communities Resource Center (MCRC).
- e) **Examples:** In the past, Mediation Services initiated outreach to MHC residents, owners and managers. Funding to support this work came from OHCS Manufactured Communities Resource Center (MCRC). However, MCRC has changed its funding model to only cover case-by-case mediation, thus a new resource to cover staff time should be identified.

Align existing programs, identify new ones and potential resources to pay for them.

- a) **Description:** Clackamas County has many programs that may be useful to manufactured housing homeowners, such as housing programs (e.g. weatherization, housing rehabilitation, critical home repair and accessibility programs), programs to enhance the wellbeing of older adults (e.g., nutrition program, transportation assistance, caregiver support program, Retired Senior Volunteer Program). Some programs could be customized and adapted for delivery at MHCs, while others must be publicized.
- b) **Rationale:** MHCs offer a rare opportunity to provide outreach and resources to an entire community in a coordinated and cost-efficient way, whether the services are related to aging and wellness (e.g., a senior exercise or diabetes assistance program) or housing conditions (e.g., weatherization). Many MHCs have “club houses” that could serve as host resource fair or programs. Many MHCs have existing internal communication networks often organized by the residents themselves.
- c) **Implementation:** Use the information from communications with MHC residents to identify needs. Identify existing programs that could help meet those needs and identify gaps. Discuss ways that Clackamas County’s existing programs could be adapted to the MHC environment. Develop some pilot programs and begin outreach. Potential programs:
- *Housing:* Weatherization, critical home repairs, and efficiency/accessibility upgrades.
 - *Aging and disability services:* Wellness programs, nutrition programs, partnerships with health care to deliver screening and wellness services, nutrition services, possible licensed adult foster home in an MHC so that residents can age in community, adult foster care/caregiver respite days in “club house.:
 - *Library and recreation:* Book mobile, exercise programs, enrichment programs.
 - *Rights and responsibilities of MHC homeowners:* Clackamas County Mediation Services, MH/OSTA, and OHCS Manufactured Housing Resource Center have expertise in this area
- d) **Partners:** County departments, MH/OSTA, and OHCS Manufactured Housing Resource Center
- e) **Examples:** Other MHCs in Oregon have organized resource fairs to support aging in place. Contact MH/OSTA for details. The City of Gresham developed a critical home repair program (small grants) that addressed the critical needs, such as leaky roofs or failing plumbing. Contact Unlimited Choices for further information.
-

Assist with Involuntary Transitions

Provide relocation counseling

- a) **Description:** Establish a social service team to provide relocation counseling and work with residents in the event of an MHC closure. E.g. Relocation Planning and Assistance Team (see state guide).
- b) **Rationale:** The announcement of the closure of an MHC sends waves of panic among residents. State law requires that MHC owners provide tenants with 365-day notice and pay tenants \$6,000, \$8,000, or \$10,000 (depending on the size of their homes). Residents may also be eligible for a tax credit of \$5,000 to assist with transition costs. These benefits do not fully compensate residents for their loss of community, home and lifestyle, and many struggle to find new housing options. County staff have a role to play in helping residents assess their housing options and make a safe transition.
- c) **Implementation:** The state's Manufactured Communities Resource Center (MCRC) is the source of information about how to mobilize in the event of an MHC closure. MCRC has experience with resident needs and organizing resource fairs. While it is up to the County to decide if and how it might provide one-on-one services to residents, MCRC is a valuable source of information about the legal obligations of the park owner and how to mobilize locally. Their 80-page Local Agency Toolkit has several chapters on what to do in the event of a closure.
- d) **Partners:** County departments, Housing Authority of Clackamas County, MCRC, local nonprofit social service agencies and housing providers, MH/OSTA
- e) **Examples:** MCRC helped local jurisdictions work with residents during the wave of closures that occurred from 2000-2007. MCRC has experience in this area.

Resources:

- **CASA of Oregon Manufactured Housing Cooperative Development Center**
As a member of the ROC USA network, CASA of Oregon delivers pre- and post-purchase technical assistance and helps manufactured homeowners secure the financing needed to buy their communities and shape their economic futures through resident ownership. CASA's loan fund has provided resident cooperatives with over \$3.8 million in park purchase financing and over \$250,000 in pre-development financing. Since 2008, CASA has converted nine parks, representing 580 spaces across Oregon, to resident ownership.
<http://www.casaoforegon.org/mhpp>
- **Local Agency Toolkit**
The Toolkit is intended to serve as a model for use by other communities facing similar challenges [with vulnerable manufactured housing communities], helping the community organize and assess their manufactured housing areas in advance of a crisis while organizing resources ahead of a closure to aid in a more efficient rapid response.
<https://www.oregon.gov/ohcs/CRD/mcrc/docs/Manufacture-Home-Park-Solutions-Collaborative-Local-Agency-Toolkit.pdf>
- **MCRC of Oregon Housing and Community Services**
The Manufactured Communities Resource Center (MCRC) program staff provide services and information to residents and landlords of manufactured dwelling parks to

promote cooperative community relationships. Services include information and assistance with landlord tenant laws, rights and responsibilities, park rules and regulations, dispute resolution options, park closures, park registration, and other MHC-related concerns. They can help facilitate meetings, make presentations and advise and assist local jurisdictions.

<https://www.oregon.gov/ohcs/Pages/manufactured-dwelling-park-services-oregon.aspx>

- **MH/OSTA**

The Manufactured Housing State Tenants Association is the statewide association of MHC homeowners. It works to protect and enhance the security, affordability, and quality of life in MHCs for residents through legislative action, advocacy, and member education and support. Its services include a peer-to-peer advice hotline for assistance with MHC issues, a quarterly newsletter, an annual conference and advocacy for laws that strengthen the rights of MHC homeowners. MHC residents can join individually as well as forming a chapter within their MHC.

<http://mh-ostablog.blogspot.com/>

- **NOAH**

The Manufactured Housing Program of the Network for Oregon Affordable Housing assists with the acquisition, preservation and improvement of manufactured home parks to enhance livability and housing stability for Oregonians with modest incomes. It supports a statewide steering committee, a peer learning collaborative for nonprofits and agencies engaged with supporting MHCs as affordable housing. It also provides access to acquisition capital for mission-focused purchasers of MHCs, such as resident-owned cooperatives, nonprofit housing organizations and public housing authorities. NOAH is an excellent source of information about what is occurring statewide in this field.

<https://noah-housing.org/programs/manu/>

6 Conclusion

This paper studied two specific questions (1) do we find evidence of risk of displacement for renters in unincorporated Clackamas County? and (2) what specific role do manufactured housing communities (MHCs) play in the unincorporated Clackamas County market as naturally occurring affordable housing? This section presents final thoughts on both topic areas.

6.1 Do we find evidence of risk of displacement for renters in unincorporated Clackamas County?

Yes, the Author's do find evidence of risk of displacement for renters in unincorporated Clackamas County, particularly Urban Unincorporated. To first recap, we define market drivers of the risk of displacement as: (1) unaffordable housing costs; (2) evictions, foreclosure, and closure; (3) management and maintenance issues; (4) acquisition, rehabilitation, and redevelopment; (5) and (re)investment.

Risk of displacement for renters in Urban Unincorporated is driven by unaffordable housing costs and the likelihood of continued acquisition, rehabilitation, and redevelopment pressures and (re)investment. The concentrations of socio-economically disadvantaged populations paired with rising land values provide the rationale for this concern. The county should focus efforts in existing, disinvested neighborhoods of Urban Unincorporated to study the gap between the real value of housing in an area and potential values of housing in the area. This gap can create a situation where housing costs rise rapidly when public or private investment returns to or occurs in those areas.

Investment could take many forms, but usually it results in new amenities or physical changes to a neighborhood that makes the neighborhood a more desirable place to live – increasing competition for housing in the area. Increased demand affects housing costs and affordable housing supply diminishes. This results in low-income households getting outbid by new, more affluent residents (Bates, 2013).

The extent to which eviction is driving risk of displacement warrants further exploration. While data on rates of eviction in Clackamas County are not available, the Authors' draw from recent law enacted by the state to describe existing concerns and action. As of February 2019, SB 608 limited no-cause evictions in Oregon in an attempt to reduce the risk of displacement from causeless tenancy terminations.²⁸ SB 608 declared the following essential features, which:

“Prohibits landlord from terminating month-to-month tenancy without cause after 12 months of occupancy. Provides exception for certain tenancies on building or lot used by landlord as residence. Allows landlord to terminate tenancy with 90 days' written notice and payment of one month's rent under certain conditions. Exempts landlord managing four or fewer units from payment of one month's rent.

²⁸ SB 608 also implemented rent control in Oregon.

Provides that fixed term tenancy becomes month-to-month tenancy upon ending date if not renewed or terminated. Allows landlord to not renew fixed term tenancy if tenant receives three lease violation warnings within 12 months during term and landlord gives 90 days' notice."

It is unclear whether SB 608 will be a success in preventing displacement risk caused by evictions. What is clear is that the County should continue to explore eviction as a displacement risk driver.

Public (re)investment should be treated cautiously, particularly in areas where land values are already signaling displacement risk. Areas with more low-cost, market-rate housing stock tend to be contenders for up-zoning and other investments (new infrastructure or parks and associated programs). The county should invest in these areas while implementing displacement mitigation strategies.

Additionally, if there is additional residential capacity on buildable lands in areas ripe for reinvestment, speculative developers may purchase swaths of existing housing to demolish the homes and rebuild. This activity may generate benefits or costs. This activity could generate benefits in that the developer is creating more housing, thereby increasing the supply of housing. This activity could generate costs in that the developer may be taking affordable housing off the market to developer newer, more expensive housing stock, resulting in forced displacement. It is prudent that the County evaluate any proposed to reduce the likelihood that proposed solutions lead to increased displacement risk.

6.2 What specific role do manufactured housing communities (MHCs) play in the unincorporated Clackamas County market as naturally occurring affordable housing?

MHCs play a significant role in providing naturally occurring affordable housing in the unincorporated area. There are approximately 4,500 manufactured homes in MHCs in unincorporated Clackamas County that provide low and moderately priced detached single-family living, more than three times the number of subsidized apartments in that area (1,390 subsidized housing units). While most housing in MHCs may not be as deeply affordable as subsidized housing, it provides an affordable ownership opportunity. In addition to the homes in MHCs, Clackamas County overall has approximately 4,000 other manufactured housing units, some of which are in the unincorporated area.

Because it is naturally occurring housing form, the ongoing existence and affordability of MHCs depends upon the market and decisions made by community owners. This kind of affordable housing can disappear when community owners raise space rents above what residents can afford, allow the property to fall into disrepair, have poor management, or redevelop the property. The risk of redevelopment pressure is acute in the metro areas of the Pacific Northwest, as housing costs continue to rise. For example, the *New York Times* recently reported that one of the last two MHCs in Seattle is on the market for redevelopment (Buch, 2019). In Oregon, areas most susceptible to MHC closures include those inside UGBs with rapidly

increasing populations, an apt description for unincorporated urban Clackamas County (Tremoulet, 2010).

Equally important to the prospect of losing entire communities is the possibility of individual homeowners being priced out of their home. For example, the *Salem Register Guard* reported that when an Irvine, CA, company purchased Wildwood Villa in 2018/19, the park owner began promoting long-term lease agreements with 15-, 20- or 25-year terms, a base rent of \$825 per month and built-in rent increases of *at least* 4% per year (Howald, 2019). This means that a homeowner with 15-year lease would pay at least \$148,000 during the lease term for access to a small piece of land that they didn't and would likely never own plus any services included in the rent.

Because of the importance of this housing form to Clackamas County, and because of its precariousness in a vibrant economy, this report has proposed a range of strategies that position the county to take a proactive role in supporting its continued viability. Currently, the county is vulnerable. However, through relationship-building, focused service provision, targeted investments and regulation, the county can change that environment and work with responsible owners and residents to preserve this strategically important housing option.

Terms Defined

- **Displacement.** Section 1 of Senate Bill 310²⁹ defines displacement as:
 - (2) a situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence and that:
 - (a) A reasonable person would consider to be beyond the household’s ability to prevent or control;
 - (b) Occur despite the household’s having met all previously imposed conditions of occupancy; and
 - (c) Make continued occupancy of the residence by the household unaffordable, hazardous or impossible

- **Gentrification.** The U.S. Department of Housing and Urban Development defines gentrification as “a form of neighborhood change that occurs when higher-income groups move into low-income areas, potentially altering the cultural and financial landscape of the original neighborhood” (U.S. Department of HUD, 2018).

Another similar characterization concludes that “as a result of changes beyond the control of existing residents, lower-income households and/or households of color migrate out of a neighborhood, either forcibly or by choice, and new in-migrants change the socioeconomic makeup of the neighborhood” (Bates, 2013).

- **Manufactured Dwelling.** Oregon law (ORS 446.003) defines a manufactured dwelling as factory-built housing with sleeping, cooking and plumbing facilities that is neither a recreational structure (e.g., yurt, tent) nor a recreational vehicle (RV, trailer) intended for seasonal use

- **Manufactured Housing Community.** A place where an investor owns the land and infrastructure and leases space to homeowners or sometimes leases both a space and a home to a renter. Technically, Oregon state law (ORS 446.003) distinguishes between a *manufactured dwelling park*, which is a site that accommodates four or more manufactured dwellings, and *mobile home parks*, which may include recreational vehicles, yurts and cabins and/or manufactured dwellings. This report uses the term *manufactured housing communities* (MHCs) to apply to both, as long as they provide four or more year-round spaces and primarily include manufactured dwellings.

- **Low-Cost Market Rate Housing.** Sometimes referred to as natural occurring affordable housing (NOAH), which is “housing units that are unsubsidized and affordable to households below the region’s median income.” (Bostic et al., 2017).

²⁹ As used in ORS 307.841 to 307.867.

Works Cited

The authors of this paper used the following resources:

1. 79th Oregon Legislative Assembly, Enrolled Senate Bill 310. 2017 Regular Session. <https://olis.leg.state.or.us/liz/2017R1/Downloads/MeasureDocument/SB310>
2. Albouy, David and Ehrlich, Gabriel. (2013). The Distribution of Urban Land Values: Evidence from Market Transactions. <http://davidalbouy.net/landdescription.pdf>
3. Baker, J., Voight, L. Jun, L. (2019). Private Equity Giants Converge on Manufactured Homes. <http://pestakeholder.org/report/private-equity-giants-converge-on-manufactured-homes/>, accessed 4/28/2019.
4. Baron, Madeline. "Post-recession gentrification and subsidized housing," thesis excerpt. Georgetown University, 2014.
5. Baron, Madeline, and Juntunen, Lorelei. "Beaverton Vertical Housing Development Zone Displacement Analysis." ECONorthwest & Angelo Planning Group. Portland, Oregon. 2018. Accessed March 14, 2019.
6. Bates, Lisa K. "Gentrification and Displacement Study: Implementing an Equitable Inclusive Development Strategy in the Context of Gentrification." Portland State University. Portland, Oregon. 2013. Accessed March 14, 2019.
7. Bates, Lisa K., and Golub, Aaron. "Planning Ahead for Livable Communities Along the Powell-Division Bus Rapid Transit: Neighborhood Conditions and Change." National Institute for Transportation and Communities. July 2017. Accessed April 2, 2019.
8. Been, Vicki. "What More Do We Need to Know About How to Prevent and Mitigate Displacement of Low- and Moderate-Income Households from Gentrifying Neighborhoods." Joint Center for Housing Studies (2017).
9. Boarnet, Marlon, Bostic, Raphael, Williams, Danielle, Santiago-Bartolomei, Rodnyasky, Seva, and Eisenlohr, Andy. "Affordable Housing in Transit-Oriented Developments: Impacts on Driving and Policy Approaches." National Center for Sustainable Transportation & USC University of Southern California. Los Angeles, California. 2017. Accessed March 14, 2019.
10. Buch, Jason. (July 21, 2019). For Seattle's Last Mobile Home Owners, the Clock Is Ticking. New York Times, https://www.nytimes.com/2019/07/21/us/seattle-trailer-park.html?nl=todaysheadlines&emc=edit_th_190722?campaign_id=2&instance_id=11064&segment_id=15430&user_id=9db1d9dea9af62150f231e257939abcf®i_id=37901432072
11. Center for Housing Policy. (February 2011). Should I Stay or Should I go? Exploring the Effects of Housing Instability and Mobility on Children. http://mcstudy.norc.org/publications/files/CohenandWardrip_2009.pdf

12. Clackamas County Health, Housing and Human Services. Clackamas County 2017-2021 Assessment of Fair Housing Report. (2017).
13. Davidson, Mark. (2008). Spoiled Mixture: Where Does State-led 'Positive' Gentrification End? *Urban Studies*, 45(12) 2385–2405.
14. Department of Land Conservation and Development. (n.d.) Rural Planning and Development. <https://www.oregon.gov/lcd/RP/Pages/index.aspx>
15. Desmond, Matthew and Shollenberger, Tracey. "Forced Displacement from Rental Housing: Prevalence and Neighborhood Consequences." *Springer*. Vol. 52 (2015)
16. Desmond, Matthew, An, Weihua, Winkler, Richelle, and Ferriss, Thomas. "Evicting Children." *Social Forces*. Vol. 92, no. 1 (2013).
17. Ding, Lei, Hwang, Jackelyn, and Divringi, Eileen. "Gentrification and Residential Mobility in Philadelphia." Federal Reserve Bank of Philadelphia. (2016)
18. Drew, Rachel. "Gentrification: Framing our Perceptions." Enterprise Community Partners. (2018).
19. Foroohar, Rana. (May 19, 2019). U.S. private equity moves into trailer parks. The Financial Times Limited.
20. Grier, George. (1978). *Urban Displacement: A Reconnaissance*.
21. Hewitt, Becky. "Strategies to Prevent and Mitigate Displacement due to Gentrification." (2018).
22. Howald, Eric. (June 13, 2019). 'You shouldn't sign it': Attorney urges caution with long-term leases in mobile home parks. Keizertimes.
23. The Joint Center for Housing Studies. "The State of the Nation's Housing 2018." Harvard University. (2018).
24. Levy, Diane. (2012). "Community-level Effects of Displacement". The Urban Institute
25. Marcuse, Peter. (1985). Gentrification, Abandonment, and Displacement: Connections, Causes, and Policy Responses in New York City. *Urban Law Annual, Journal of Urban and Contemporary Law*.
26. Marcus and Millichap. (2019). *National Report: Manufactured Housing Communities*. www.MarcusMilchap.com.
27. Marcuse, Peter. "Gentrification, Abandonment, and Displacement: Connections, Causes, and Policy Responses in New York City." *Urban Law Annual; Journal of Urban and Contemporary Law*. Vol. 28 (1985).
28. Metropolitan Area Planning Council. "Managing Neighborhood Change: Selected Anti-Displacement Strategies in Practice." 2011.
29. Mueller et al. "Uprooted: Residential Displacement in Austin's Gentrifying Neighborhoods and What Can Be Done About it." The University of Texas Center for Sustainable Development. Austin, Texas. 2018. Accessed March 14, 2019.

30. Newman, Kathe, and Wyly, Elvin. "The Right to Stay Put, Revisited: Gentrification and Resistance to Displacement in New York City." *Urban Studies*. Vol. 43, no. 1 (2006).
31. NYU Furman Center. "Gentrification Response: A Survey of Strategies to Maintain Neighborhood Economic Diversity." Wagner School of Public Service. 2016.
32. Oregon Housing and Community Services. *Breaking New Ground: Oregon Statewide Housing Plan, 2019-2023*. (2018).
33. Oregon Housing and Community Services. *Oregon Statewide Housing Plan: Housing Needs, Appendix*. (2018).
34. Petrovic, Ana. "The Elderly Facing Gentrification: Neglect, Invisibility, Entrapment, and Loss." *Elder Law Journal*. Vol. 15. No. 2. Pp. 534-572. 2008.
35. "Preventing Displacement Policy Fact Sheet." www.greatcommunities.org. 2007.
36. Tremoulet, Andrée. (2010). *Policy Responses to the Closure of Mobile Home Parks in Oregon*. Dissertation; Portland State University and Oregon Housing and Community Services, Park Closures.
37. U.S. Department of Housing and Urban Development. "Displacement of Lower-Income Families in Urban Areas Report." (2018).
38. Vanleerberghe, Patricia, et al. (2017). *The quality of life of older people aging in place: a literature review*.
39. Zuk, Miriam, Bierbaum, Ariel, Chapple, Karen, Gorska, Karolina, and Loukaitou-Sideris, Anastasia. "Gentrification, Displacement, and the Role of Public Investment." *Journal of Planning Literature*. Vol. 33 (2017).

Literature Informing Framework Displayed in Exhibit 2

1. Grier, George. (1978). *Urban Displacement: A Reconnaissance*.
2. Marcuse, Peter. (1985). *Gentrification, Abandonment, and Displacement: Connections, Causes, and Policy Responses in New York City*. *Urban Law Annual, Journal of Urban and Contemporary Law*.
3. Zuk, Miriam, Bierbaum, Ariel, Chapple, Karen, Gorska, Karolina, and Loukaitou-Sideris, Anastasia. "Gentrification, Displacement, and the Role of Public Investment." *Journal of Planning Literature*. Vol. 33 (2017).

Appendix A. Manufactured Housing Communities in Clackamas County

Appendix A is an expanded version of the topics included in Section 4 of this white paper. It includes additional context, background, and facts.

6.1 Executive Summary

Manufactured housing and manufactured housing communities play a significant role in Clackamas County's housing supply. They provide housing for nearly 24,000 county residents. The 6,000 spaces in manufactured housing communities, 75% of which are in the unincorporated area, are likely one of the county's largest sources of unsubsidized (naturally-occurring) affordable housing for low to moderate income households. It represents a larger supply of affordable housing than the 1,390 units of government-assisted housing located in the unincorporated area.

Manufactured housing communities do not offer the "deep affordability" needed to serve the county's lowest income residents that government-assisted housing provides; instead, it is affordable to households earning approximately 50% to 90% of county median income. Manufactured housing presents an opportunity for homeownership that would otherwise be out of reach for households with modest incomes and a way for working-class retirees to age in place in a community of their choosing.

However, living in a manufactured housing community carries substantial risks not inherent in other kinds of housing. Typically, residents are homeowners—they own their home—but they rent the space where it is placed. An investor owns the land, infrastructure and community amenities. Despite the name "mobile home," manufactured housing is not mobile; thus, the investor has significant leverage because, unlike apartment renters, manufactured homeowners cannot easily move if rent is too high or they don't like the way a community is managed.

Three principal sources of displacement risk are rent increases beyond what residents can afford, bad management/poor maintenance/underinvestment and redevelopment pressure. The first two can impact some homeowners more than others in a community, while the third affects everyone living in a manufactured housing community.

For older adults living on modest incomes, displacement can be catastrophic. They involuntarily lose their home, their primary financial asset, their close community and the sense of independence that comes from owning their own place. They are not likely to find an apartment to rent that is as affordable nor be able to replicate the community that enabled them to age in place.

Nationally, the industry is changing. Formerly the provenance of smaller-scale investors and local mom-and-pop owners with a few major industry players, manufactured housing communities have seen an influx of corporate investors and REITs moving into the market. As a result, residents accustomed to modest space rent increases are being priced out of a place to put their home.

This report identifies five “displacement risk indicators” and applies them through an analysis of Clackamas County’s manufactured housing communities. Risk indicators include:

- Sales patterns and outliers
- High vacancy rates
- Sharply rising land values or new development nearby
- Patterns of complaints from residents
- Infrastructure failure, especially related to water and waste-water management

Recommendations to preserve manufactured housing communities are provided in Section 5.2 of this report.

6.2 What are manufactured homes and manufactured housing communities?

Manufactured housing is a type of factory-built housing. It has three primary features that distinguishes it from other types of factory-built homes, such as modular housing:

- **An internal chassis:** Manufactured housing has an internal chassis that allows it to be transported from the factory to the home site by attaching wheels. Other forms of factory-built housing lack internal chassis and are transported on flatbed trucks.
- **Conformance with HUD Code:** Manufactured homes are constructed to a national building code, the Manufactured Home Construction and Safety Act, or “HUD Code.” This code applies only to manufactured housing.
- **Factory Quality Control and Inspections:** Quality inspections for manufactured housing occurs at the factory. While local building inspectors do not inspect the homes, they may inspect foundations, house connections and utility hookups.

Larger manufactured homes are transported in sections, thus giving rise to the terms *double-wide* and *triple-wide*. Once on site, a manufactured home is not easily mobile.

Oregon Revised Statutes (ORS 446.003) define a *manufactured dwelling* as a type of factory-produced structure with sleeping, cooking and plumbing facilities that is neither a *recreational structure* (e.g., yurts, cabins and tents) nor a *recreational vehicle* intended for seasonal use. This memo uses the terms manufactured housing or manufactured homes (MH) to mean manufactured dwellings.

There are three principal tenure arrangements for MH, each of which provides differing levels of housing responsibilities, costs and security for residents:

- **The resident owns the home and the land on which it is located**, just like a site-built owner-occupied home. This is the most stable arrangement. Monthly housing costs include mortgage payments (if any) and utilities. The homeowner controls and is responsible for home maintenance and repair costs. As much as 49% of Clackamas

County's manufactured homes are located on their own land; however, some of these may be leased and thus fall into the third category below.

- **The resident owns the home and leases the land on which it is located**, either a space in a manufactured housing community or on a parcel owned by a third party. This arrangement is sometimes called divided asset ownership and carries risks because the homeowner cannot easily move if space rent becomes unaffordable or the owner fails to maintain the community. Monthly housing costs include space rent, loan payments (if the homeowner does not own the home outright) and utilities. The homeowner controls and is responsible for home maintenance and repair costs. 51% of Clackamas County's manufactured homes are in manufactured housing communities; some of these may be leased and fall into the third category below.
- **The resident leases the home and the land on which it is located**. Depending on lease terms, this is typically the least stable and most flexible arrangement. Housing costs include rent and utilities. 19% of manufactured homes in Clackamas County are leased.

Several terms are used to refer to a place where a landowner leases space to homeowners to place manufactured homes, including mobile home park, mobile estate, trailer park, manufactured housing community, and land lease community. Technically, Oregon state law (ORS 446.003) distinguishes between a *manufactured dwelling park*, which is a site that accommodates four or more manufactured dwellings, and *mobile home parks*, which may include recreational vehicles, yurts and cabins and/or manufactured dwellings. This memo uses the term manufactured housing communities (MHCs) to apply to both, as long as they provide four or more year-round spaces and primarily include manufactured dwellings.

6.3 Manufactured housing can provide a good living environment and decent housing.

Most MH built after June 1976 is of substantially better quality than housing built earlier. In the 1970s, the uneven quality of mobile homes led the US Department of Housing and Urban Development to develop the Manufactured Home Construction and Safety Act (42 U.S.C. Sections 5401-5426) to regulate design and construction, strength and durability, transportability, fire resistance and energy efficiency. MH built after the HUD Code effective date of June 15, 1976 must be constructed to the standards of the latest version of this code. Like traditional stick-built homes, the current condition is greatly affected by maintenance and the initial quality of the construction.

MH originated in the travel trailers of the 1930s. Housing needs during World War II prompted an evolution of short-term travel trailers into trailers built for year-round use. The federal government bought approximately 35,000 trailers for war industry workers and, after the war was over, gave some them to colleges for married student housing. In the mid-1950s, Wisconsin entrepreneur Elmer Frey developed a commercial MH that was intended to be year-round, permanent housing, and he coined the term *mobile home*.³⁰

³⁰ Hart, J.F., Rhodes, M.J. & Morgan, J.T. (2002). *The unknown world of the mobile home*. Baltimore: The John Hopkins University Press.

Despite its name, MH are not mobile. Once installed onsite, MH can be difficult and expensive to move, easily costing \$30,000 in transportation and basic set-up costs. Older MH may not withstand a move, and new sites are scarce. MH and MHCs also pose other potential risk for residents, and these are discussed in a later section of this memo. Nevertheless, MHCs provide an attractive housing option for people wanting the independence of ownership, especially retired older adults living on limited or fixed incomes.

6.4 Manufactured homes represent a significant share of the county’s housing stock.

MHs account for 6% of Clackamas County’s estimated 163,650 housing units and 9% of the estimated 122,740 single-family detached dwellings. An estimated 6% of Clackamas County’s residents, or 23,848 people, live in MH. 81% of Clackamas County households living in MH own their homes; 19% rent. (2013-2017 American Community Survey 5-Year Estimate). This tenure split has remained relatively constant during the last decade.

Slightly more than half (53%) of the county’s 10,471 MHs are located in MHCs. Manufactured homes in MHCs represent 4% of all housing units and 5% of the county’s single-family detached dwellings. State law identifies MHCs, MHs on individual lots planned and zoned for single-family residential use and MHs on lots within designated manufactured dwelling subdivisions as forms of “needed housing” (ORS 197.303).

As Exhibit 23 indicates, nearly half the county’s MHCs (48%) and a majority of spaces (56%) are located in the urban incorporated area of the county, a pattern that is not atypical for urbanized counties in Oregon. The rural unincorporated and the urban incorporated areas each have a similar share of the remaining MHCs and spaces.

Exhibit 23. Geographic Distribution of Manufactured Housing Communities and Spaces, Clackamas County, 2018

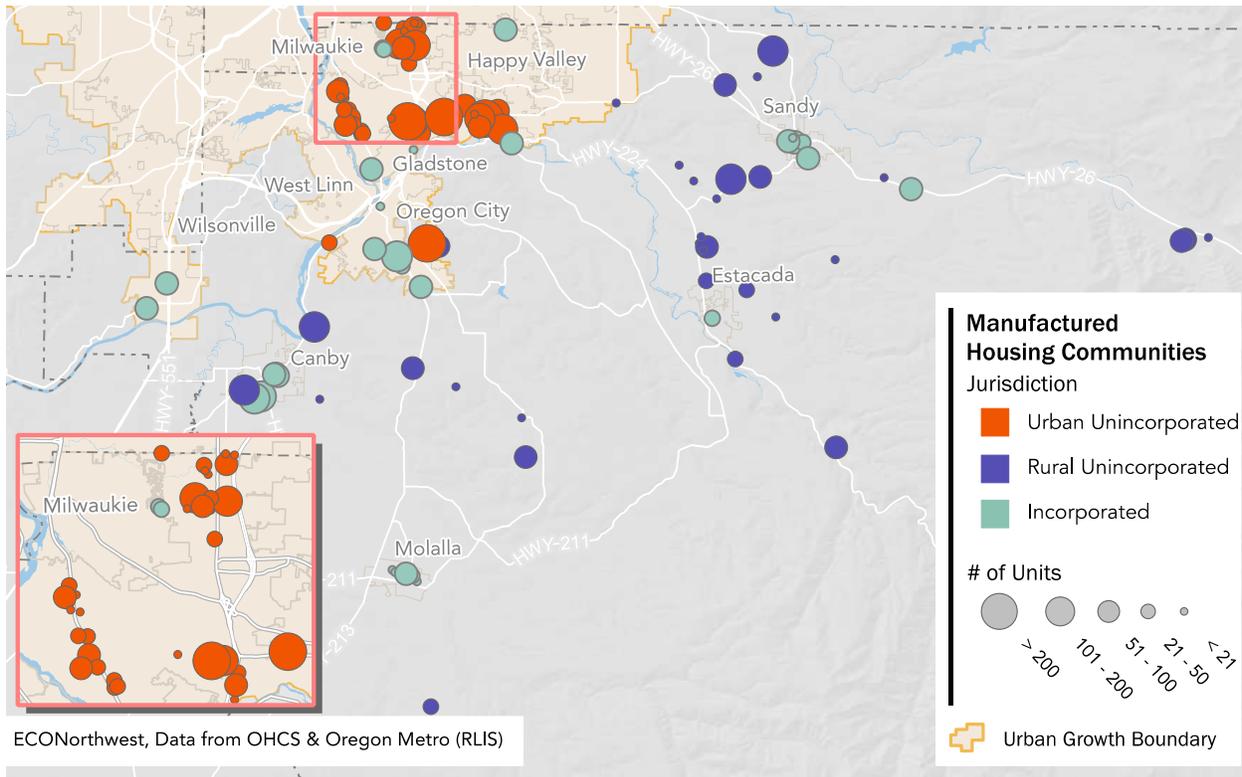
Source: RLIS, Oregon Housing and Community Services Manufactured Dwelling Park Directory, as of April 2019.

	Urban Unincorporated		Rural Unincorporated		Incorporate		Clackamas County Total
	#	% of Total	#	% of Total	#	% of Total	
Total MHC	46	48%	27	28%	23	24%	96
Total Spaces	3,355	56%	1,176	19%	1,514	25%	6,045

Exhibit 24 shows that the county’s largest MHCs are located in the urban unincorporated area. The state’s largest MHC, Country Village Estates, (500 spaces) is located there. Almost half the MHCs in the rural area are small, with 30 or fewer spaces.

Exhibit 24. Manufactured Housing Communities, 2018

Source: RLIS, Oregon Housing and Community Services manufactured Dwelling Park Directory. Note: Appendix B presents a larger map image.



As Exhibit 25 below shows, estimated land value of urban MHCs (based on assessed value) is more than twice that of rural MHCs. The estimated land value of MHCs in incorporated cities is about 85% of that of urban MHCs.

MHCs are an important source of housing for older adults with modest incomes. Nearly one in four MHCs in the county have been designated by the owners for residents age 55 and older. A higher share of rural MHCs are designated for all ages (“family”). In practice, many of the family MHCs are also likely to have a high share of older households as residents.

Exhibit 25. Characteristics of Manufactured Housing Communities, Clackamas County, 2018

Source: RLIS, Oregon Housing and Community Services Manufactured Dwelling Park Directory.

	Urban Unincorporated		Rural Unincorporated		Incorporated		Clackamas County Total
	#	% of Total	#	% of Total	#	% of Total	
Total MHCs	46	48%	27	28%	23	24%	96
Total Spaces in MHCs	3,355	56%	1,176	19%	1,514	25%	6,045
MHCs by Number of Spaces							
4 to 30 spaces	16	17%	13	14%	5	5%	34
31 to 100 spaces	21	22%	11	11%	15	16%	47
101 to 200 spaces	5	5%	3	3%	3	3%	11
201 spaces +	4	4%	0	0%	0	0%	4
Type of MHC							
55+	14	15%	2	2%	8	8%	24
Family	32	33%	25	26%	15	16%	72
Estimated Land Value per Acre*		\$211,896		\$88,165		\$179,354	\$155,389
MHCs with > 10 vacancies		0		0		0	5

MHs are more plentiful but generally less deeply affordable than government assisted housing.

Clackamas County has almost twice as many MHC spaces as government-assisted housing units.

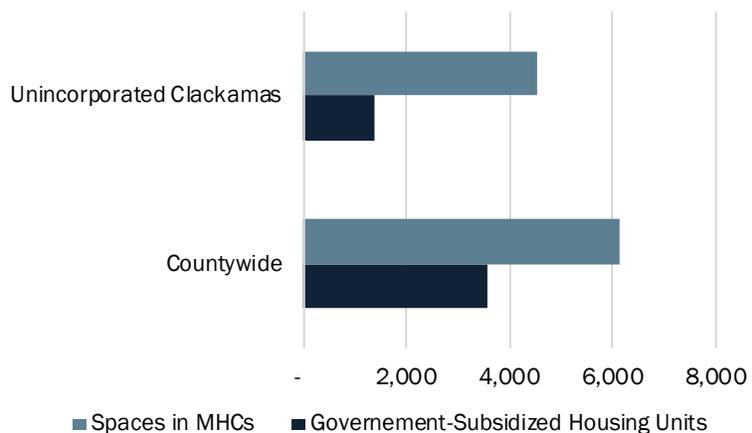
There are more than three times as many MHC spaces as government-assisted housing units in the unincorporated area of the county.

Unlike most government-assisted homes, MHC are predominantly owner-occupied.

Government-assisted housing provides housing affordable to households with much lower incomes.

Exhibit 26. Supply of Government-Assisted Housing Units & MHC spaces, Clackamas County, 2018

Source: RLIS, Oregon Housing and Community Services Affordable Housing Inventory, as of January 2018 and Oregon Manufactured Dwelling Park Directory as of April 2019



6.5 Who lives in manufactured housing and why?

Households living in MH in the Portland Metro Region are older and more likely to have a household member with a disability than households overall. MH households also have lower incomes, higher poverty rates and lower educational attainment levels. Almost half (48%) of MH households have incomes between \$20,000 - \$60,000.

Exhibit 27. Selected Household Characteristics, Portland Metro Region, 2015

Source: American Housing Survey, 2015

Household Attributes	All Occupied Units	Manufactured / Mobile Homes
Disability Status		
At least one member who is disabled	24%	32%
Age (Head of Household)		
Under 30	10%	3%
30 to 54	48%	46%
55 or Older	42%	51%
Income, Annual		
Less than \$40,000	30%	45%
\$40,000 to \$79,999	29%	33%
\$80,000 and more	41%	22%
Poverty		
Severe Poverty	4%	5%
Below the Official Definition of Poverty	10%	17%
Educational Attainment		
Less than 9th Grade / No Diploma	7%	17%
High School Graduate (incl. equivalent)	41%	64%
Some College to Graduate Degree	52%	19%

A 2010 study provides insights about who lives in MHCs in Oregon and why they chose this housing type.³¹ The study used a combination of quantitative data, focus groups and interviews with MHC residents to identify three broad clusters of household types:

- **Working class retirees:** single individuals and couples who have low to moderate incomes and own their home. They may have owned a single-family home while they were working and chose to downsize when retirement, a change in health status or the death of a partner precipitated a need for a move. They discovered that a MH in a MHC offered a sense of safety and community, strong ties among neighbors, opportunities to stay active, and a single-story home and yard that was easy to maintain. They also maintained the independence and status of homeownership while living on a limited or fixed income. They hope to live in their home for the rest of their lives.
- **Younger working-class families and individuals:** households with low to moderate incomes who may be purchasing their home. They may have children. They prefer this

³¹ Tremoulet, Andrée. (2010). *Policy Responses to the Closure of Manufactured Home Parks in Oregon*. Dissertation, Portland State University.

option to renting an apartment and may this as first step to conventional homeownership.

- **Very low-income families and individuals:** households with very low incomes, with and without children. Most rent their home as well as the space. This may be housing of last resort for some of these residents.

The preceding 2015 demographic profile of MH residents in the Portland region line up with these three clusters. However, while these informal clusters provide useful generalizations about who lives in MHCs, it is not likely that they capture the complexity of individual circumstances, nor do they describe the full range of MHC residents living in the county.

6.6 Manufactured housing is likely the largest source of low-cost, unsubsidized affordable housing in the county.

MHCs likely provide the largest sources of *naturally occurring* (unsubsidized) affordable housing for households with low to moderate incomes. As owner-occupied housing, it is affordable to households earning about 50% - 90% of median income. Households who rent their home and the space it is on may pay even less.

Living in an MHC as a homeowner is more affordable than renting an average apartment in Clackamas County.

Even with loan payments, housing costs are slightly less for MHC residents.

Exhibit 28. Comparison of Monthly Housing Costs, Clackamas County, 2019

Source: Commonworks Consulting MHC Rent Survey April 2019, Multifamily NW Fall 2018.



MHC space rent is affordable to households earning about 50% median household income.

A random survey of the space rents of 11 MHCs in rural and urban Clackamas County was conducted in April 2019. Rents ranged from a low of \$420, including water, sewer and garbage collection, for a 55+ community to \$873, including water, for a premium location on a lake in a family community. While the rents appeared to depend on the amenities and condition of the community, small MHCs with fewer than 20 spaces had rents less than \$600 per month.

The average rent was \$622 per month. Housing costs of \$900 per month (average rent plus \$275+ for utilities, insurance and taxes) would be affordable to a household with an annual income of \$36,000. The median household income for Clackamas County is \$72,408 (ACS 2012-

2017); thus, rent plus essential utilities is affordable to a household earning 50% median household income for Clackamas County.

MHC space rent plus a loan payment is affordable to a household earning 90% of median household income. A review of manufactured homes for sale in Clackamas County conducted in April 2019 found 14 homes of varying prices and vintages listed on the website MHVillage.com. The prices ranged from \$13,900 for a 1973 (pre-HUD code) singlewide to \$154,990 for a new 2019 triple-wide with 2,565 sf of living space. Most of the remaining homes fell into two general clusters: late 1980s to early 1990s doublewides with prices from \$85,000 to \$89,000, and late 1990s to early 2000s doublewides with prices from \$107,000 to \$130,000.

A monthly payment on a home loan for a mid-range \$90,000 doublewide home manufactured in 1991 could cost \$715 per month, assuming a 5% down payment, a 20-year loan, and a credit score of approximately 700 netted an interest rate of 7.5%. Homes in manufactured housing communities are consumer loans and carry higher interest rates and shorter terms than mortgages.

Thus, assuming that the household has sufficient savings to pay a 5% down payment and closing costs, a mid-range home in a community would cost approximately \$1,615 per month for the loan, space rent, essential utilities, taxes and insurance. This would be affordable to a household with an income of \$64,000 per year, or 89% of median.

Some MH homeowners may choose to pay more than 30% of their income for housing costs. Older MH homeowners may not have a mortgage if they downsized from a stick-built home to a smaller MH. However, more than two-thirds of MH homeowners are not housing cost-burdened. They have chosen a housing type that they can afford independently, without government housing support.

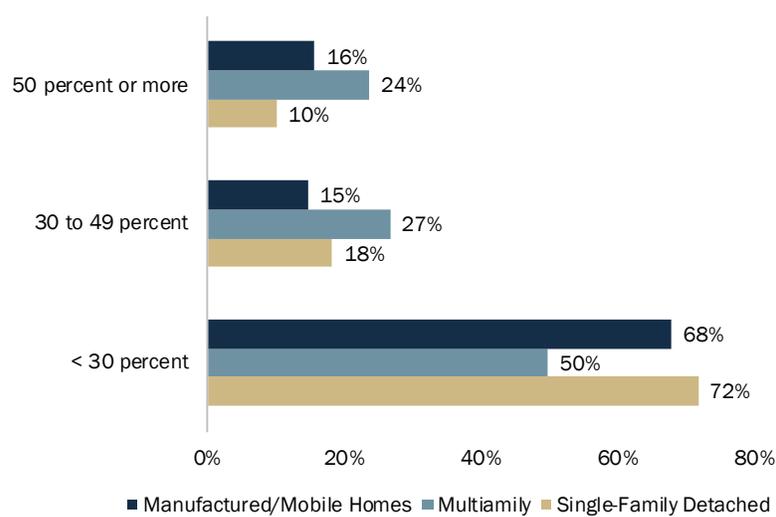
More than 2/3 of MH residents are not housing cost-burdened.

68% of MH residents pay less than 30% of their income for housing costs.

Fewer MH residents are cost-burdened or severely cost-burdened (pay more 50% or more for housing costs) than households living in multi-unit housing.

Exhibit 29. Comparison of Housing Cost Burden, Portland Region, 2015

Source: American Housing Survey 2015



In summary, data confirms the significant role that MH and MHCs communities play in providing affordable housing in the county. They provide housing for nearly 24,000 county residents. The 6,000 spaces in MHCs, 75% of which are in the unincorporated area, are likely the county’s largest source of unsubsidized affordable housing. It represents a larger supply of affordable housing than the 1,390 units of government-assisted housing located in the unincorporated area. MHCs typically do not offer the “deep affordability” needed to serve the county’s lowest income residents that government-assisted housing provides; instead, as owner-occupied housing, it is affordable to households earning approximately 50% to 90% of county median, with rented homes possibly costing less. MH presents an opportunity for homeownership that would otherwise be out of reach for households with modest incomes and a way for working-class retirees to age in place in a community of their choosing. However, this form of homeownership is not without risks, discussed in the next section.

6.7 Living in an MHC comes with inherent vulnerabilities.

While it has many benefits, living in an MHC as a homeowner carries with it substantial risks not inherent in other kinds of housing due to two primary factors:

- **Divided asset ownership:** The resident owns the home and an investor/landlord owns the land on which it is located. This arrangement works as long as the homeowner and investor share similar or complementary objectives, the quality of the living environment is maintained, and space rent increases are predictable and within the means of homeowners to absorb.
- **MH are not easily mobile:** Unlike apartment renters, MH homeowners are not able to easily leave if rents become unaffordable or living conditions in the community deteriorate. Their main choice is to sell their home. If their home is new and sturdy

enough, they can also attempt to move it if they can find a new site. The cost of moving a home is estimated to be around \$30,000 plus set-up costs. If they can do neither, then the only remaining option is to abandon the home.

Divided asset ownership combined with homes that are not mobile confers leverage to MHC investors/landlords/owners. Primary risk drivers that homeowners face is rent / fee increases beyond what they can afford on limited or fixed incomes, poor management, and redevelopment pressure. Some risks may result in displacement of individual residents; others may result in community closure. Each of the risk drivers is discussed below.

Rent Increases

Nationally, two related factors have resulted in higher rents and lower vacancies in MHCs. First, rising housing costs have bolstered the demand for lower-cost housing options, including MHCs. Second, new investors have entered the MHC market from other sectors, pushing up competition for purchasing MHCs with upside income potential, which is achieved by increasing rents.³²

Marcus Millichap investment advisors reported that the Portland region's average rent of \$612/month for 2018 was the fourth highest among the 21 listed Metro areas. The annual average increase for Portland was 6.1 percent, the third highest, behind San Antonio (7.5 percent) and Salt Lake City (6.8 percent).³³ Local industry representatives indicated that some owners may have raised rents in anticipation of the Oregon legislature adopting a measure to cap future rent increases.

Discussions with representatives of the statewide MHC residents' association MH/OSTA and other stakeholders confirmed considerable concern about rising space rents in MHCs in Oregon. Because many residents are older adults living on fixed, limited incomes, they are not able to sustain significant increases in housing costs. Increases in space rent drive down the resale value of MHs in the same manner that increases in fees affect the resale value of a condominium.

Rents and other conditions of tenancy are specified in leases. Per ORS Chapter 90.600, rent increases for homeowners in MHCs are allowed as follows:

- **Fixed term lease:** lease specifies rent and/or the formula for rent increases and the effective date for the term of the lease. 90-day written notice required prior to rent changes

"An average of 97.6% of [MH] communities in the [Northwest] area announced or implemented rent increases from \$5 to \$100 with the upper end resulting from unbundled utility services. With the lowest average 3 bed 2 bath apartment rent for the Portland area at \$1,279 there is ample room for rent appreciation among manufactured housing site rents."

Source: Colliers International Multi-Family Housing Team, *Northwest Manufactured Housing Study*, 2018.

³² Marcus & Millichap. (2019). *National Report: Manufactured Housing Communities*. www.MarcusMilchap.com

³³ Marcus & Millichap. (2019). *National Report: Manufactured Housing Communities*. www.MarcusMilchap.com

- **Fixed term lease with conversion to month-to-month after fixed term:** Lease specifies rent during fixed term. 90-day written notice required prior to rent changes after fixed term ends
- **Month-to-month rental agreement:** 90-day written notice required prior to rent changes

Regardless of the frequency of increases, during any 12-month period the rent may not increase beyond a ceiling of 7 percent plus the change in the Consumer Price Index, per SB 608, which was adopted during the 2019 Oregon legislative session. In theory, a fixed-term lease could include a formula for rent increases that exceed this limit, but it is unlikely that a tenant would agree to such provisions. The prohibition of local (county or municipal) rent control measures remains in place.

Management and Maintenance

While many MHCs are well-run, management and maintenance issues present an ongoing concern for residents of MHCs statewide, according to resident advocates. Failing septic and water systems, potholes, unsafe play equipment, dead trees, a closed swimming pool and a run-down community center are indicators of under-investment in MHC maintenance by the owner.

Management and maintenance issues, as well as other matters related to MHCs, are addressed by Oregon Revised Statutes 90.505 through ORS 90.875. Working through the informal Manufactured Housing Landlord Tenant Coalition, stakeholders typically propose changes and refinements to the state legislature every two years. Homeowners are represented in the Coalition by MH/OSTA, the statewide MH owners' association, and Legal Aid. To ensure that property managers are familiar with the law, at least one manager per MHC must complete four hours of continuing education every two years.

Oregon currently lacks a mandatory enforcement system for violations of the manufactured housing landlord-tenant law. However, during 2019, the state legislature approved and the governor signed into law House Bill 2896, which requires

Like A Waffle House Where Everyone is Chained to the Booth

Frank Rolfe, creator of Mobile Home University, described the leverage of investors/landlords/owners via his video training program this way: "Homeowners are stuck there. They don't have any option. They can't afford to move their trailer...So the only way they can...object to your rent raise is to talk off and leave the trailer, in which case it becomes abandoned property and you recycle it—put another person in it. So, you really hold all the cards. So, the question is, what do you want to do? How high do you want to go?"³⁴ He likened an MHC to a "Waffle House where everyone is chained to the booth."

[Northwest] area announced or implemented rent increases from \$5 to \$100 with the upper end resulting from unbundled utility services. With the lowest average 3 bed 2 bath apartment rent for the Portland area at \$1,279 there is ample room for rent appreciation among manufactured housing site rents."

Source: Colliers International Multi-Family Housing Team, *Northwest Manufactured Housing Study*, 2018.

MH/OSTA: A Resource for Oregon MH Homeowners

MH/OSTA is the statewide organization by and for MH homeowners. It has a free call-in line for peer advice on MHC issues, a quarterly newsletter for members, on-demand training and speakers, online guides, a small matching grant home repair program and an annual conference. Residents may join as individual members, and MHCs may form local chapters.

Further information: <http://mh-ostablog.blogspot.com/>

³⁴ Rolfe, Frank, quoted in *Mobile Homes: Last Week Tonight with John Oliver (HBO)*. (April 8, 2019). YouTube Video. <https://www.bing.com/videos/search?q=john+oliver+mobile+homes&view=detail&mid=C81D94AE9742D75DD52EC81D94AE9742D75DD52E&FORM=VIRE>

participants in a landlord/tenant dispute attend at least one mandatory mediation session, as long as mediation is requested in good faith and the session is held within 30 days... Residents may also seek redress through Legal Aid if they qualify for services, or, if they have sufficient funds, they may seek the help of private counsel, although few attorneys are familiar with this area of the law. HB 2896 also provided four years of funding for legal services— advice, negotiation, litigation – for MHC residents on matters arising under Oregon residential landlord/tenant law.

Redevelopment Pressures Resulting in MHC Closures

At some point, the owner of an MHC may decide that they can derive a higher return on their investment if the land under the MHC were used for a different purpose, such as denser, high income housing or mixed-use buildings. During the real estate boom of the early 2000s, the country experienced a wave of MHC closures. In Oregon, 63 MHCs closed, resulting in the loss of approximately 2,300 spaces from 2001-2007. The closures mostly occurred in the Portland Metro region (including Clackamas County), the western Gorge, the coast, southern Oregon and the Bend area. This represented the loss of about 4% of state’s inventory of spaces and MHCs. This was at least the second wave of closures the state had experienced; the first occurred in the 1980s and primarily was associated with the loss of MHCs on industrially zoned land and in flood-prone areas.³⁵

Closures are most likely to occur in rapidly urbanizing areas of Oregon. An analysis of closures in Oregon from 2001 through 2007 found that MHCs in urban unincorporated areas were 5.02 times more likely to close than MHCs in rural unincorporated areas, controlling for population growth. MHCs in incorporated areas were 4.66 times more likely to close than MHCs in rural unincorporated areas, controlling for population growth. The difference between urban unincorporated and incorporated areas was not statistically significant. The study also found that likelihood of closure was related to the rate of population growth of the county.³⁶ Some experts are concerned that additional closures may be on the horizon. No new MHCs are known to have opened in the state during the last 20 years.

MHC owners are required by state law to notify residents and the state before the owner markets the park for sale or when the owner receives an offer to purchase that the owner intends to consider, whichever occurs first.

Legislation initially approved by the Oregon legislature in 2007 and subsequently amended provide protections for manufactured homeowners in the event that their MHC closes. Landlords are required to provide MHC homeowners with a 365 day-notice and pay them \$6,000, \$8,000 or \$10,000, depending on the size of their homes.³⁷ Residents also may be eligible

³⁵ Tremoulet, Andrée. (2010). *Policy Responses to the Closure of Mobile Home Parks in Oregon*. Dissertation; Portland State University and Oregon Housing and Community Services, Park Closures.

³⁶ Tremoulet, Andrée. (2010). *Policy Responses to the Closure of Mobile Home Parks in Oregon*. Dissertation; Portland State University and Oregon Housing and Community Services, Park Closures.

³⁷ Amounts are approximate; future payments are inflation-adjusted and may vary from these figures.

for a refundable tax credit of \$5,000. Oregon City has its own regulations pertaining to MHC closures that were grandfathered in with the adoption of state law.

Impacts of MHC Closures on Residents

MHC closures can be catastrophic for homeowners, especially if they are older adults who moved to the community with the expectation of living out the remainder of their lives there. A case study of the closure of Thunderbird Mobile Club illustrates the kinds of financial and non-financial impacts that can occur. This is what happened with Thunderbird residents:

- Three-fifths of the homeowners abandoned their homes, typically because they were too old to move safely, moving them cost too much or because there was no place to put them.
- For many, it represented a loss of their largest financial asset; some still had a loan on a house that no longer existed. 4% declared bankruptcy.
- Most lost access to affordable housing.
- Only 8% were able to move their homes to a new location, at a 2007 cost of \$20,000 to \$30,000 per home.
- For some, involuntary displacement appeared to trigger the onset of Relocation Stress Syndrome, characterized by anxiety, apprehension, confusion, depression and loneliness. Some experienced root shock---the loss of community and life-affirming connections to people and place.
- 6% of the homeowners died, a rate higher than the expected mortality rate published by the Center for Disease Control for white persons age 55 and older.³⁸

6.8 Understanding the principal types of MHC owners and their investment goals provides insights about displacement risks.

Broadly speaking, Oregon has four general types of owners:

- **Local “mom and pop” owners.** Some MHCs were created by local people seeking a reasonable return on investment. Sometimes they or their family live in the communities. They may know the residents and manage the community themselves or hire a local manager or professional firm. Some mom and pop communities are owned by the second generation of the family. The primary risk occurs when the family wants to get out of the business, perhaps because the next generation is not interested in the MHC. This also represents an opportunity to facilitate preservation through a voluntary sale to homeowners as a Resident-Owned Community (ROC) or to a nonprofit or housing authority that will retain it as permanently affordable housing. Risks can also result from the mom-and-pop owner keeping rents so affordable that delayed maintenance and infrastructure issues compound. A third kind of risk comes from an

³⁸ Tremoulet, Andr e. (2010). *Policy Responses to the Closure of Mobile Home Parks in Oregon*. Dissertation; Portland State University and Oregon Housing and Community Services, Park Closures.

outside developer who sees an opportunity to redevelop the property and makes an unexpected purchase offer much higher than normal because they want the land; this occurred frequently in the Portland region during the closures of 2003-07.

- **Regional multi-MHC investors.** For Oregon, these investors include both local interests and investors from California, who started looking to Oregon for opportunities when California jurisdictions began adopting rent control. These investors typically own MHCs for the long term and are interested in long-term return on investment. Some are excellent landlords; others do not share the same reputation, and individual displacement through rent increases may become a risk. Some absentee owners may be relatively small in scale but manage their portfolio primarily to derive income and avoid re-investing in the property, leading to deteriorating infrastructure and living conditions. Some California investors are quite large and behave more like large national investors than like a regional company. Regional investors typically hire internal property managers or a third-party management firm.
- **Large national/international private equity investors.** Since 2017, very large private equity firms, REITs and institutional investors have entered the MHC business nationally. These firms include Yes! Communities (with the Government of Singapore as a major investor), Inspire Communities (Apollo Global Management), Treehouse Communities (Blackstone Group) and Carlyle Group. From an investor perspective, MHCs can offer a “strong and steady return of 4 per cent or more—around double the average U.S. real estate investment trust return,” according to a 2019 report in *The Financial Times*.³⁹ The high return results from two primary factors: the investor doesn’t have to pay for the housing because residents provide it themselves (lowering the investment required), and rent elasticity is high because the homeowners cannot easily move. While investment goals vary from one firm to the next, a common strategy is to invest capital from institutional investors into businesses, make changes to increase cash flow, then sell the businesses or take them public after four to six years.⁴⁰
- **Resident-Owned Communities and nonprofit owners.** Nonprofit and resident-owned communities (ROCs) provide long-term, stable homeownership opportunities for residents. The state of Oregon has programs and policies to support voluntary purchases of MHCs by resident cooperatives and nonprofits. Nonprofit ownership and ROCs provide ultimate stability; however, they require up-front public subsidy, a willing seller, time and expertise to complete. CASA of Oregon is the principal organizer and facilitator of ROCs in the state; they are affiliates of the national network ROC USA. St. Vincent de Paul of Lane County and NeighborWorks Umpqua also owns and manages MHCs, providing long-term, stable affordability. Currently, Oregon has 23 ROCs and non-profit owned communities with 1,290 spaces, according to Network for Affordable

³⁹ Foroohar, Rana. (May 19, 2019). U.S. private equity moves into trailer parks, *The Financial Times Limited*.

⁴⁰ Baker, J., Voight, L. Jun, L. (2019). *Private Equity Giants Converge on Manufactured Homes*. <http://pestakeholder.org/report/private-equity-giants-converge-on-manufactured-homes/>, accessed 4/28/2019.

Housing. In Washington, two housing authorities also own MHCs: King County Housing Authority and Housing Authority of Snohomish County.

Clackamas County has two ROCs (Clackamas River Village, 142 spaces, and Two Rivers Homeowners Cooperative, 76 spaces). These two communities are affordable and preserved for the long term. The county has one MHC owned by a large national investor (Country Village Estates, 500+ spaces, owned by Sun Communities, Inc.). Sun Communities appears to straddle the line between a large private equity investor and a regional investor; while it is a REIT based in Michigan, they are not new to this industry, and their website suggests that they hold onto and manage the communities that they own. The remainder of the MHCs are owned by regional investors or mom-and-pop owners.

6.9 Displacement Risk Indicators help determine next steps.

With rising land values and a changing, urbanizing landscape, displacement of some of the 6,000 MH in MHCs in Clackamas County is a concern. **Displacement risk indicators are data points that can be queried to determine if potential risk exists, where it may exist, and what warrants further investigation.**

There are two types of displacement: displacement of individual residents due to issues like rent increases and poor management practices, and displacement of all the residents living in a community due to MHC closure. The displacement risk indicators help detect the likelihood of either occurring. None of the indicators imply that displacement will necessarily occur; instead, they can be used to help staff prioritize where it is most important to follow up by contacting owners, managers or residents to get first-hand information about what is taking place.

The five Displacement Risk Indicators utilized in this report are as follows:

- MHC sale patterns and outliers
- High vacancy rates
- Sharply rising land values or new development nearby
- Patterns of complaints from residents
- Infrastructure failure

MHC Sale Patterns and Outliers

Sales of MHCs are not unusual, but sales with prices outside the norms or sales to a large private equity firm or REIT could be cause for concern. As Exhibit 30 shows, 18% of the county's MHCs were sold in the five-year period of 2013-18 (17 of 99 total MHCs).⁴¹ Most of the

⁴¹ An initial analysis identified 40 MHCs that had transacted in 2013-2018. However, many of these transactions did not represent a true arms-length sale. Instead, they might represent a change in ownership form (e.g., from an individual to an LLC), with the same people in charge, or the addition of adult children as new co-owners as the original owner aged. 17 true arms-length transactions were identified.

MHCs were mid-sized (31-100 spaces), and one, Highland View Mobile Park, had a substantial number of space vacancies.

Exhibit 30. MHC Sales, Clackamas County, 2013 through 2018

Source: RLIS, Oregon Housing and Community Services. Notes: Under Buyer Location, CA indicates buyer has a mailing address in California; Metro indicates buyer address in in Portland-Vancouver region, and MA indicates buyer address in Massachusetts. List of Notice of Sale provided by Oregon Housing and Community Services, Manufactured Communities Resource Center, appears to be current as of 2/15/2019. <https://www.oregon.gov/ohcs/CRD/mcrc/docs/Notice-of-Intent-to-Sell-Manufactured-Home-Park.pdf> Note: one sale in unknown location (2017 sale); buyer location in Metro.

MHC Sale	Site Address	Total Spaces	Vacant Spaces	Type	Buyer Location	Year Sold
Incorporated <i>22% of MHCs in Incorporated Areas sold</i>						
Hood Chalet Mobile Estates	47000 SE HWY 26, Sandy 97055	82	0	Family	Metro	2013
Mount Pleasant Mobile Home Park	18780 Central Point Rd, Oregon City, 97045	68	1	Family	CA	2016
Redwood Estates	620 SE 2nd Ave, Canby 97013	72	0	55+	CA	2017
Unknown	16300 SE HWY 224m Damascus 97089	-	-	-	CA	2015
Wunder Mobile Park	19000 SE Bornstedt Rd, Sandy 97055	33	0	Family	CA	2016
Rural Unincorporated <i>22% of MHCs in Rural Unincorporated Areas sold</i>						
Eagle Crest Estates	30838 SE Riverside Way, Eagle Creek, 97022	85	0	Family	Metro	2016
Highland View Mobile Park	18552 S Nora LN, Mulino 97042	65	51	Family	Metro	2018
Orient Drive Mobile Estates, LLC	13025 SE Orient Dr, Boring 97009	51	0	55+	CA	2013
Totem Village Mobile Park	36451 S Sawtell Rd, Molalla 97038	32	0	Family	Metro	2016
Unknown	Boring 97009	-	-	-	CA	2013
Unknown	67770 E HWY 26, Welches 97067	-	-	-	Metro	2015
Urban Unincorporated <i>11% of MHCs in Urban Unincorporated Areas Sold</i>						
Forest Park Mobile Village	18830 S HWY 99E, Oregon City, 97045	7	0	Family	Metro	2013
Frontier Urban Village	16551 SE 82nd Dr, Clackamas, 97015	42	3	55+	MA	2018
Holly Court	3016 SE Holly Ave, Milwaukie, 97222	10	0	Family	CA	2017
Holly Tree Mobile Home Park	8951 SE Fuller Rd, Happy Valley, 97086	57	0	Family	Metro	2017
Pillars Mobile RV Park	16417 SE McLoughlin Blvd, Portland, 97267	41	0	Family	Metro	2016

In addition to these sales, Country Village Estates, said to be the state's largest MHC, sold in early 2019 to a major national investor, Sun Communities, located near Chicago, Illinois.

State law (ORS 90.842) requires that MHC owners notify Oregon Housing and Community Services and the residents when a community is for sale. OHCS lists the MHCs for which it has received an Intent to Sell Notice on its Manufactured Communities Resource Center (MCRC) web page. Notices were received from the following Clackamas County communities for 2018 through January 2019:

- Carver Mobile Home Park, Damascus, 61 spaces. Notice 2/16/18
- Cherry Lane Mobile Park, Oregon City, 66 spaces. Notice 7/12/18
- Concord Terrace, Portland, 87 spaces. Notice 7/16/2018
- Big Foot MHC, Sandy, 40 spaces. Notice 9/27/18
- Country Village Estates, 530 spaces. Notice 10/10/2018, sold late 2018 to Sun Communities.
- Riverbend MHC, Clackamas, 208 spaces. Notice 12/17/18
- Mountainview Mobile Estates, 41 spaces. Notice 1/29/19

This list indicates that 7 MHCs (7 % of all MHCs in the county) with 503 spaces (8% of all spaces) were for sale.

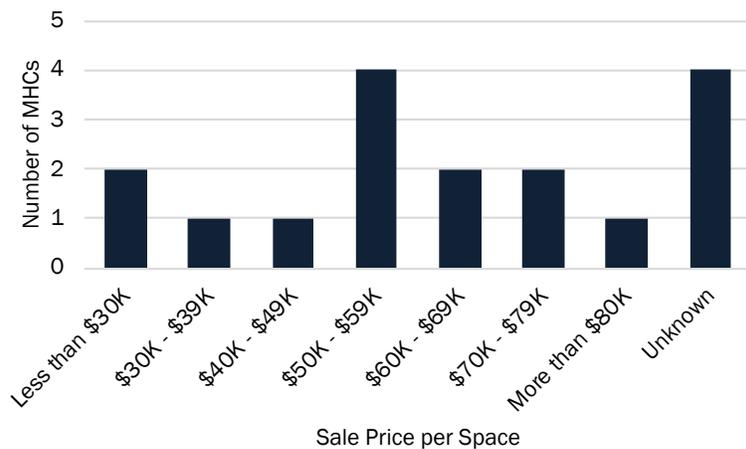
MHC sales prices between \$30,000 and \$80,000 are the norm.

Prices outside this range warrant further investigation by staff.

Of concern are high value sales. The buyer may be purchasing the MHC to acquire the land for redevelopment; this may be particularly true if it is zoned for non-residential uses.

Exhibit 31. Sale Price per Space of MHCs, Clackamas County, 2013-18

Source: Clackamas County Assessment & Taxation & Oregon Housing and Community Services, Manufactured Community Resource Center



Two MHC sales in particular warrant follow-up:

- The seven-space Forest Park Mobile Village in the urban area sold in 2013 for more than \$200,000 per space, raising questions about the long-term future of this small MHC.
- The sales price for County Village Estates, the 500+ space MHC, was a surprising \$61,770,000, which is more than \$120,000 per space. This raises a concern about potential rent increases to finance the purchase. However, Sun Communities only raised the space rent by a modest \$25 per month immediately after the purchase, an increase of 2.5% over prior rent.⁴²

The Sun Communities, Inc. website states, “The company owns and operates or has an interest in 379 manufactured housing and recreational vehicle communities located in 31 states throughout the United States and Ontario, Canada, as of March 31, 2019. Sun Communities’ portfolio consists of over 132,000 developed sites. Established in 1975, Sun Communities became a publicly owned corporation in December 1993. The company is a fully integrated real estate investment trust (REIT) listed on the New York Stock Exchange under the symbol: SUI.”⁴³ Sun Communities, Inc. currently owns four MHCs in Oregon: Country Village Estates in Oregon City, Forest Meadows in Philomath, Oceanside RV Resort in Coos Bay and Woodland Park Estates in Eugene.

⁴² Source: Commonworks Consulting phone call to Country Village Estates management office, April 2019.

⁴³ Source: <http://www.suncommunities.com/investor-relations/>, accessed 4/28/2019.

The county should continue to monitor MHC intent to sell notices and proactively reach out to owners of MHCs that are for sale to determine their needs and vision for their property. In particular, the county should be alert to potential sales of large communities (scale of impact), sales of MHCs with any of the other risk factors (high vacancy rates, infrastructure issues, patterns of resident complaints or strong redevelopment pressure), significant increases in sales activity (might signify changes in the market for MHCs that are not advantageous to current residents), and acquisitions by REITs, non-local investors and equity investment firms (entities that can distance themselves from impacts on residents).

High Vacancy Rates

High vacancy rates could be an indicator of issues within the MHC, such as poor maintenance or management. It could also indicate that the owner eventually intends to use the property for a different purpose, or that some kind of change is occurring in the community.

MCRC lists five MHCs in the County with more than 10 vacant spaces:⁴⁴

Rural Unincorporated

- Highland View Mobile Park: Family MHC, 51 of 65 spaces vacant

Urban Unincorporated

- Oak Acres: Family MHC, 82 of 270 spaces vacant
- Riverbend: Family MHC, 27/2008 spaces vacant
- Steeves Mobile City: 55+ MHC, 12/270 spaces vacant

Incorporated

- Indian Oak: Family MHC, Canby, 11/144 spaces vacant

These five communities warrant follow-up by staff.

Sharply Rising Land Values or Nearby Development

During the MHC closures of 2001-2007, location near a major employer or a quickly growing commercial/mixed use center was a strong indicator of potential closure of a MHC for

Manufactured Communities Resource Center, Oregon Housing and Community Services

MCRC provides information and services to MH landlords and residents in Oregon. Their website has a wealth of information, including a directory of MHCs, list of MHCs sale notices, vacancy data, landlord training resources, and links to applicable laws and forms. Services include free dispute resolution through referral to local mediation agencies, skills training and assistance to residents and jurisdictions when an MHC closes.

More information:
<https://www.oregon.gov/ohcs/Pages/manufactured-dwelling-park-services-oregon.aspx>

⁴⁴ Source: Oregon Housing and Community Services, Manufactured Communities Resource Center, Park Directory. <https://www.oregon.gov/ohcs/Pages/manufactured-dwelling-park-services-oregon.aspx> Publication date not provided; it is not known when vacancy data were last updated.

redevelopment. In these cases, developers found that they were able to earn a higher return on investment from redevelopment of the land to a different, higher-end residential or mixed use than from continuing to operate an MHC. In some cases, local MHC owners whose communities were not on the market received unsolicited purchase offers from out-of-state investors who saw the development potential and no tie to the residents living in the MHC.

Research and Oregon law indicates that redevelopment is more likely to occur in the urban unincorporated area than in the rural unincorporated area. Exhibit 32 compares the value of land currently used for MHCs in the three areas of the county. The high average value of land in the urban unincorporated county further suggests that MHCs in this area may be under the greatest economic pressure for redevelopment, especially if the underlying zoning allows commercial, mixed use or high-density residential development. A zoning and development permit analysis by staff could result in the identification of specific MHCs currently under the greatest economic pressure for redevelopment.

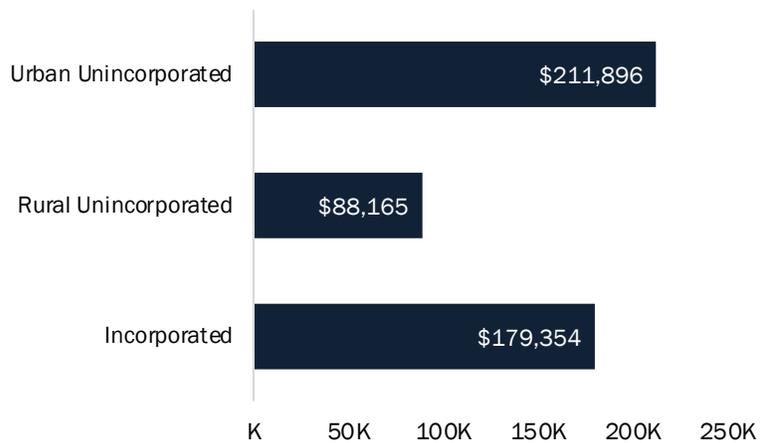
Land in the urban incorporated area has the highest average value.

The value of land used as MHCs in the urban unincorporated area is approximately 2.4 times the value of the land in the rural unincorporated area.

Thus, MHCs in the urban unincorporated county are likely under the greatest economic pressure for redevelopment.

Exhibit 32. Assessed Value of Land Used for MHCs, Clackamas County, 2018

Source: RLIS, Oregon Housing and Community Services Manufactured Dwelling Park Directory as of April 2019. Note: Total acreage and land value not available for all communities. Some communities may include additional parcels.



Patterns of Complaints by Residents

Clackamas County Dispute Resolution Services is the referral entity for mediation requests originating in Clackamas County. Staff report that they received five referrals for mediation in 2017 from the state and four in 2018. Issues included fire danger, rent, park safety, sewer, fencing, general management, parking access and eviction and neighbor-to-neighbor concerns.

It is likely that these referrals represent only a small share of the concerns that exist. Advocates report that many MHC residents across the state are unaware of the mediation services available through MCRC; some believed to be reluctant to take action because of their concerns about potential retaliation by MHC management. Additional ways to find out about MHC resident concerns and problems are needed.

Infrastructure Failure

Shared utility systems are the responsibility of the MHC owner to maintain. Underinvestment in maintenance and inadequate initial construction standards can lead to failed infrastructure systems and unlivable housing conditions for residents. In rural areas, MHCs may depend on septic systems and well water, and both are prone to issues if not managed properly.

Sometimes the MHC with problems is run by a “mom and pop” local owner who only owns this community, which s/he built 30 to 40 years ago. Knowing his/her residents, the owner may have kept rents low and thus lacks the resources to invest in the needed improvements. Instead, s/he may try some stop-gap repairs. Regulating officials faced with a MHC like this have two primary options: allow the MHC to continue to function with somewhat improved but still inadequate systems (thus risking potential health concerns) until a more permanent fix can be achieved, or close down the MHC, resulting in displacement of extremely vulnerable residents.

According to Clackamas County Septic and Onsite Wastewater Program, there are no longer any major known failing septic systems in MHCs, now that a 60+ space community in Damascus, Carver Mobile Ranch, was recently connected to sanitary sewer. This agency is the entry point for reporting Clackamas County septic problems. Smaller systems are handled directly by the county, and larger cases are handled by Oregon DEQ Onsite Wastewater Management Program.

7 Appendix B. Geographic Locations of Manufactured Housing Communities

Exhibit 33. Manufactured Housing Communities by Number of Units (spaces), Urban Unincorporated Clackamas County, Rural Unincorporated Clackamas County, and Incorporated Cities within Clackamas County, 2018

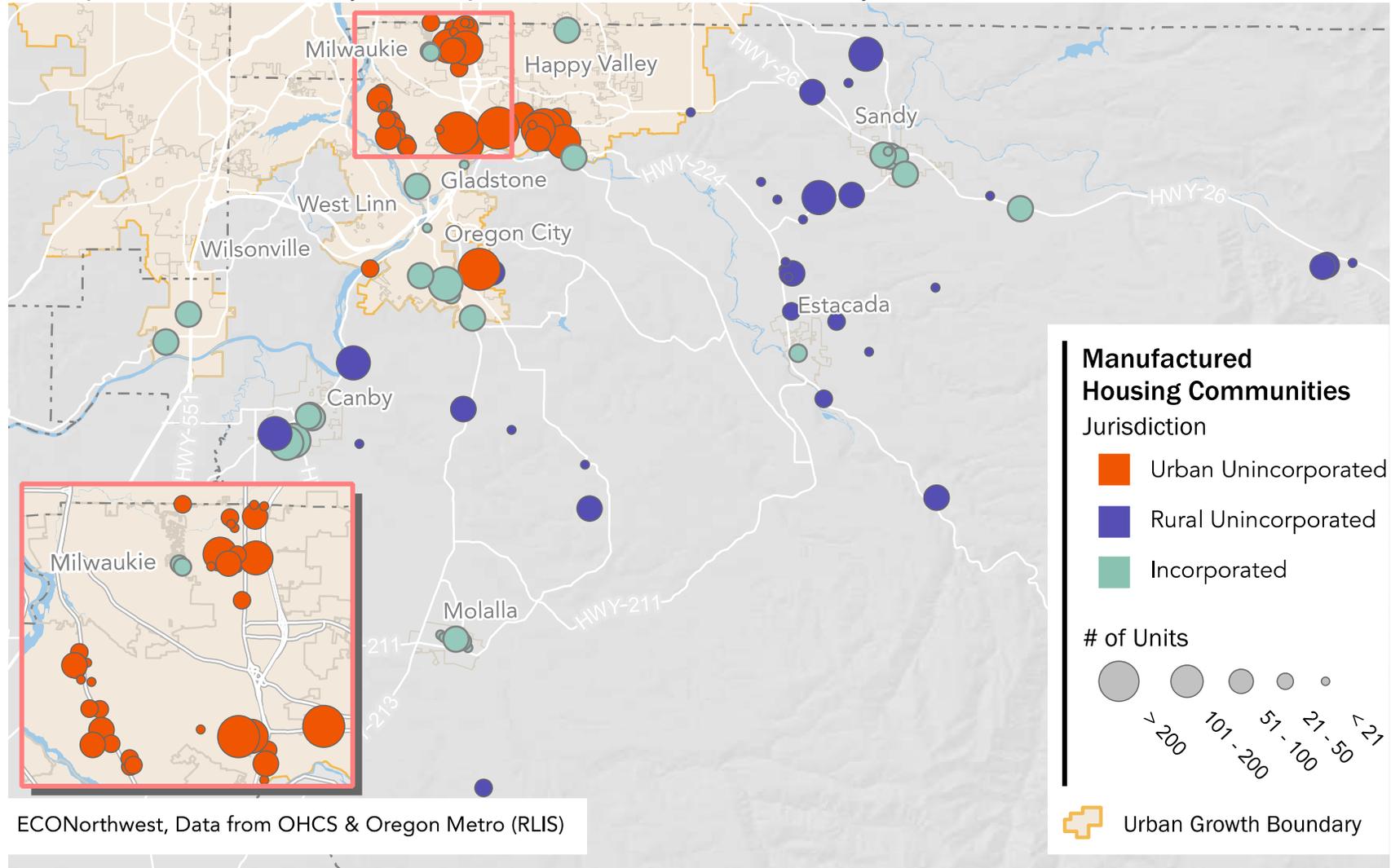


Exhibit 34. Manufactured Housing Communities by Community Type, Urban Unincorporated Clackamas County, Rural Unincorporated Clackamas County, and Incorporated Cities within Clackamas County, 2018

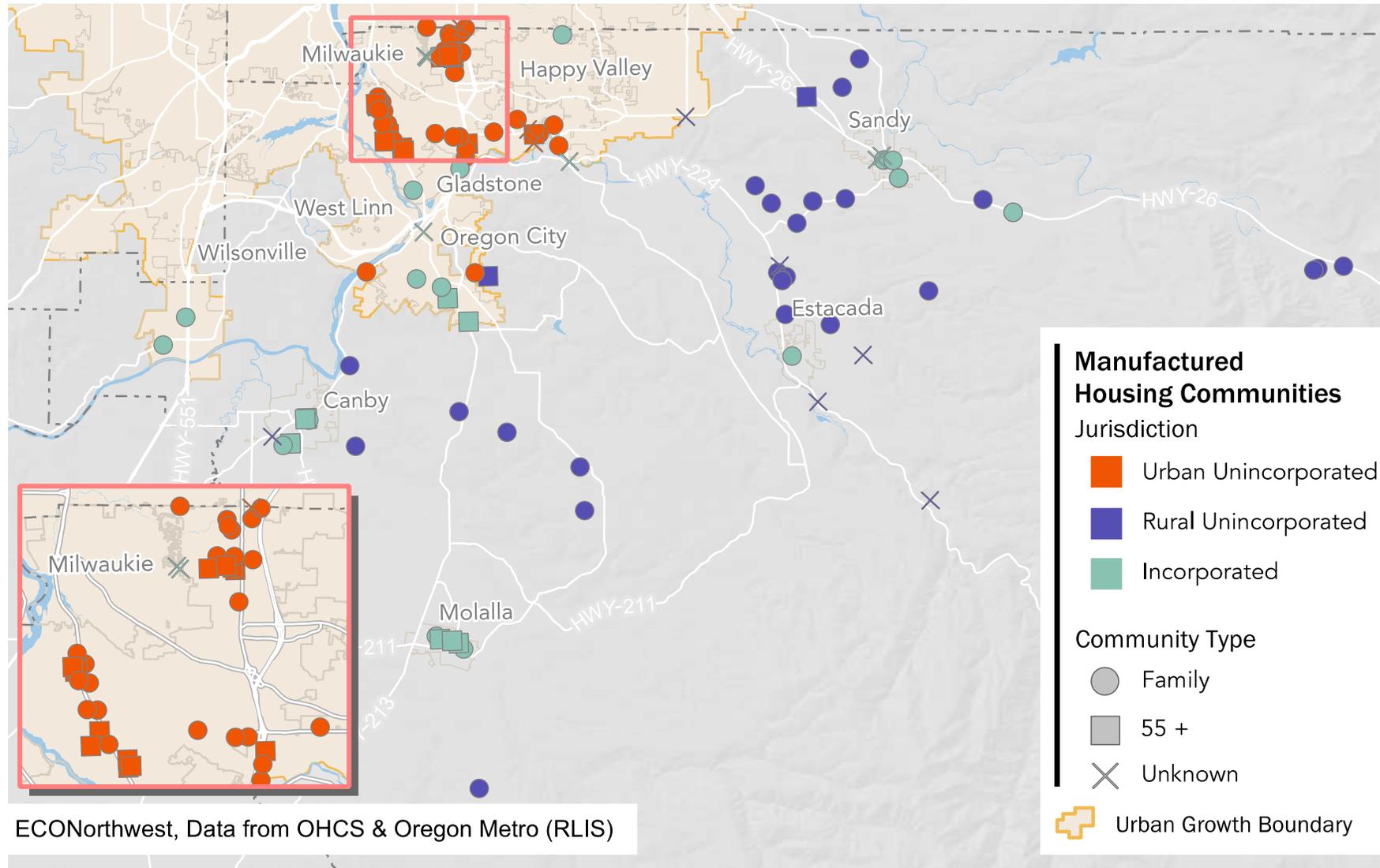


Exhibit 35. Manufactured Housing Communities by Year Built, Urban Unincorporated Clackamas County, Rural Unincorporated Clackamas County, and Incorporated Cities within Clackamas County, 2018

