



**NOTICE OF PROPOSED RULEMAKING**  
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 813  
**OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT**

**FILED**

04/29/2025 1:20 PM  
ARCHIVES DIVISION  
SECRETARY OF STATE

FILING CAPTION: Clarifying existing rules, loan, and grant terms for the manufactured dwelling replacement program.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 05/30/2025 5:00 PM

*The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.*

CONTACT: Gary Sims  
503-986-6796  
Gary.Sims@hcs.oregon.gov

725 Summer Street NE Suite B;  
Salem, OR 97301

Filed By:  
Gary Sims  
Rules Coordinator

**HEARING(S)**

*Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.*

DATE: 05/22/2025

TIME: 10:00 AM

OFFICER: Kari Hodai

**REMOTE HEARING DETAILS**

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-089-6796

**SPECIAL INSTRUCTIONS:**

A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 72 hours prior to the meeting. Please contact our Administrative Rules Team at 503-986-6796, or email [housinginfo@hcs.oregon.gov](mailto:housinginfo@hcs.oregon.gov)

**NEED FOR THE RULE(S)**

Update and clarify program loan and grant rules to ease understanding and better serve program participants and improve equity in disbursement of program funding.

**DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE**

HB 2896, HB 2894, HB 4064, SB 5512, SB 586, ORS Ch 456 & 757

**STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE**

OHCS expects this proposed rulemaking to have no negative fiscal and economic impact or additional costs to be incurred compared to the current program year and existing operations. Anticipated positive fiscal impacts to vulnerable and underserved populations in Oregon through the provision of additional financial support. The Manufactured Dwelling Replacement Program was designed to preserve housing & homeownership for households with low incomes across the state, and in particular, historically underserved communities, including communities of

color, veterans, those with disabilities, and rural communities. Increased access to funding for home replacement will increase the racial justice within the state by delivering housing resources to communities that are historically underserved.

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FISCAL AND ECONOMIC IMPACT:

OHCS expects this proposed rulemaking to have no negative fiscal and economic impact or additional costs to be incurred compared to the current program year and existing operations. Anticipated positive fiscal impacts to vulnerable and underserved populations in Oregon through the provision of additional financial support. Feedback was received at a rate of 30% to two email surveys and one follow-up.

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COST OF COMPLIANCE:

*(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).*

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

No cost to comply is anticipated as a result of these proposed rule changes.

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DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

There are no expected costs to comply related to small businesses. Small businesses were not involved in the rulemaking however, Manufactured home builder/retailer, Community Action Agencies, Energy Efficiency Partners, and Manufactured Housing stakeholders, consultants & advocates were consulted to discuss the proposed rule changes.

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WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

Engagement through verbal discussions took place during manufactured housing advisory committee meetings with stakeholders and community partners. Written feedback specific to fiscal & economic impact, as well as equity & racial justice impact of the proposed rule changes was requested with follow-up questions. Ongoing discussion about program utilization, outreach, and impact with community partners and stakeholders occurs at regularly scheduled meetings with annual reporting to Housing Stability Council.

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HOUSING IMPACT STATEMENT:

These rules do not affect the cost of development of a 6000 square foot parcel and the construction of a 1200 square foot detached single-family dwelling on that parcel.

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RULES PROPOSED:

813-066-0005, 813-066-0010, 813-066-0015, 813-066-0020, 813-066-0025, 813-066-0030, 813-066-0035

AMEND: 813-066-0005

RULE SUMMARY: Adding grant to clarify program

CHANGES TO RULE:

813-066-0005

Purpose and Objective

OAR chapter 813, Division 66 accomplishes the general purpose of ORS 458.356 and ORS 458.358, which authorize the Oregon Housing and Community Services Department ("OHCS") to develop the Manufactured Dwelling Replacement Program ("Program") to provide loans and grants to individuals to buy and set up manufactured dwellings that replace older and less energy-efficient manufactured dwellings and provide grants to individuals or entities to decommission and dispose of older, damaged, hazardous, or less energy-efficient manufactured dwellings. The loan and grant funds are intended primarily to be used in combination with other financial sources to reduce the cost of Manufactured Dwelling Replacement Projects for low- to moderate-income households.

Statutory/Other Authority: ORS 458.356, ORS 458.358

Statutes/Other Implemented: ORS 456.555, ORS 446.003, ORS 455.10, ORS 90.100

AMEND: 813-066-0010

RULE SUMMARY: Updating definition to current

CHANGES TO RULE:

813-066-0010

#### Definitions

Terms used throughout OAR chapter 813, division 66 may be defined in Oregon Revised Statute (ORS) or in the OHCS General Definitions (OAR 813-005-0005). Terms used within this division observe those definitions except as defined below:¶

(1) "Energy Efficiency Standards" means ~~the minimum standards~~ (i) the equivalent of Energy Star certification of the Northwest Energy Efficient Manufactured Home Program ("NEEM"), including NEEM 1.1 and/or NEEM 2.0, specifications, or the equivalent for a new Manufactured Dwelling. ¶

(2) "Manufactured Dwelling Park" means a facility for the location and use of manufactured housing, as the term "manufactured housing" is used in ORS 456.548, whether the facility is characterized as a "Mobile Home Park" or a "Manufactured Dwelling Park." ¶

(3) "Manufactured Dwelling" is as defined in ORS 458.356.¶

(4) "Manufactured Dwelling Replacement Project" means ~~the replacement of a m~~ project of replacing an existing Manufactured dDwelling, with a new mManufactured dDwelling that is reasonably similar in square foot size; the same number of sections as the dwelling being replaced; with project costs including the base unit cost price of the new, replacement mManufactured dDwelling; new dwelling factory upgrades approved by Oregon Housing and Community Services; workHCS; work and permits required to disconnect, remove, and decommission the old manufactured dwellings; permits required to transport both the old and new mManufactured dDwellings; permits required for siting and placement of new manufactured dwellings; delivery of new manufactured dwellings; and workand any work and permits required by applicable city, county, or state ordinance, andto be completed for theor issued, for the delivery, site preparation, and placement of the new mManufactured dDwellings for occupancy. ¶

(5) "Homeowner" means, when referring to a mManufactured dDwelling, the person who is the registered owner ~~or the title holder of the mManufactured dDwelling, regardless of who owns the land the mManufactured dDwelling is sited on.~~ ¶

(6) "Natural Disaster" includes any disaster resulting in the declaration of a state of emergency under ORS 401.165 or ORS 401.309 for wildfires, floods, tsunamis, earthquakes, or similar events, including disasters ~~began by~~ that are caused by or arise from negligent or intentional acts. ¶

(7) "Project Completion" means ~~the new, energy-efficient mManufactured dDwelling has been sited, placed, and is move-in ready for the homeowner.~~ has received a permit to occupy issued by the local building permitting authority. ¶

(8) "True Debt" means a debt of monetary value between a lender and borrower(s) that can be verified via documentation that is acceptable to the OHCS. Documentation of debt must contain loan amount, repayment terms, payment history, maturity date, and confirmation of date of execution of the debt instrument.

Statutory/Other Authority: ORS 458.356, ORS 458.358

Statutes/Other Implemented: ORS 456.555, ORS 446.003, ORS 401.165, ORS 401.309, ORS 455.010, ORS 90.100

AMEND: 813-066-0015

RULE SUMMARY: Manufacturing dwelling replacement program.

CHANGES TO RULE:

813-066-0015

Allocation of Funds to Approved Lenders and Program Administrators

The Manufactured Dwelling Replacement Program is overseen by OHCS. At OHCS discretion, program funds may be distributed consistent with OAR Chapter 813 pursuant to relevant procurement documents including, but not limited to, a Request for Proposal (RFP) or alternative procurement method. A public or private entity may apply to administer program grants and loans in a fiduciary capacity on behalf of OHCS, provided the entity also meets any additional qualifications and monitoring and administration requirements set forth in the procurement documents.

Statutory/Other Authority: ORS 458.356, ORS 458.358

Statutes/Other Implemented: ORS 456.555, ORS 446.003, ORS 90.100

RULE SUMMARY: Increasing loan limits.

CHANGES TO RULE:

813-066-0020

Manufactured Dwelling Replacement Loan Terms

All loans made under this program will comply with the following terms and criteria in addition to any other requirements imposed by OHCS:¶

(1)(a) The OHCS manufactured dwelling replacement loan is a gap loan ~~intend to be used~~ to assist in the completion of the Manufactured Dwelling Replacement Project after all other financial resources available to the homeowner have been utilized. There is no minimum loan amount. Loans for a single-wide Manufactured Dwelling or equivalent are not to exceed \$100,000, and ~~loans~~ for a double-wide, ~~loans~~ are not to exceed \$175,000. The Director of the Homeownership Division may approve an increase of up to \$25,000 above the original loan amount when unavoidable and unexpected costs increase the original completed project amount. A director increase may not exceed program limits.¶

(b) ~~Actual~~The loan amount for each Manufactured Dwelling Replacement Project shall be determined through a process prescribed by OHCS.¶

(2) Homeowner(s) must contribute other available ~~personal~~ financial resources from sources other than OHCS such as loans, grants, insurance proceeds, savings, or other resources available to the homeowner, toward their cost of the Manufactured Dwelling Replacement Project.¶

(a) Minimum homeowner contribution shall be determined through a review process prescribed by OHCS and will be considered the primary funding source for the Manufactured Dwelling Replacement Project.¶

(b) Homeowner(s) may not be required to utilize or access personal financial resources for homeowner minimum contribution if doing so would cause the homeowner(s) to incur a tax penalty such as from early withdrawal from a retirement account or IRA.¶

(c) Minimum homeowner contribution requirement may be reduced or waived at OHCS discretion on a case-by-case basis, with approval of the Director of the Homeownership Division of OHCS.¶

(3) The new replacement ~~m~~Manufactured ~~d~~Dwelling ~~shall~~ selected by homeowner shall be reviewed and approved by OHCS, meet or exceed Energy Efficiency Standards, and be of reasonably similar size to the manufactured dwelling to be replaced, single-wide for single-wide, and double-wide for double-wide; with the exception of replacing the old m must have the same number of sections and be of similar size as the Manufactured dDwelling with a smaller manufactured dwelling, such as replacing an old, double-wide manufactured dwelling for a new, single-wide manufactured dwelling. Exceptions to higher e that is being replaced. Exceptions to the requirement to meet or exceed Energy eEfficiency sStandards may be made in cases of natural disaster for new manufactured dwellings ordered or purchased prior to October 31, 2021 or at the discretion of OHCS for borhomeowners impacted by natural disasters who do not have access to energy efficiency incentive programs in their location.¶

(4) Program loans ~~must~~ have a ~~0~~zero percent (0%) interest rate.¶

(5) Program loans ~~must~~do not require regular principal payments.¶

(6) When a homeowner requires a primary home loan from a lender other than OHCS or other funding sources to complete the Manufactured Dwelling Replacement Project financing, OHCS will agree to subordinate its loan to these funding sources as a security interest holder.¶

(7) The ~~p~~Program loan balance at closing will be reduced incrementally by 1/120th each month and forgiven completely after 10 years of continuous homeowner occupancy ~~from the loan origination date of the new Manufactured Dwelling from the loan origination date, subject to homeowner compliance with all Program requirements.~~¶

(8) If the ~~m~~Manufactured ~~d~~Dwelling is sold or is no longer the primary residence of the homeowner before the 10-year homeowner occupancy period expires, the outstanding balance of the ~~p~~Program loan shall be ~~repaid upon sale of th immediately due manufactured dwellingd payable~~ unless:¶

(a) The ~~p~~Program loan is assumed by a buyer who meets the minimum income restrictions set forth in ORS 458.356(2)(a) or the minimum income restrictions set forth in the ~~p~~Program loan documents, whichever is more restrictive, or¶

(b) The remaining balance of the ~~p~~Program loan ~~may be~~is forgiven ~~early~~ by OHCS due to hardship. Any such loan forgiveness shall be at the sole discretion of OHCS.¶

(9) The ~~p~~Program loan may be secured by a recorded or filed security interest through a process prescribed by OHCS. OHCS may charge a homeowner for costs incurred by OHCS for filing or recording of documentation or application as necessary to secure the ~~p~~Program loan. The homeowner may pay for these charges from the homeowner's ~~p~~Program loan or from personal funds.¶

(10) A ~~p~~Program loan may be made to refinance an existing loan, provided the existing loan can be verified as

€True dDebt, was made for the purpose of an otherwise qualified Manufactured Dwelling Replacement Project, and the existing loan was made after January 1, 2020.¶

(11) Program loan and grant fund disbursements must comply with the following:¶

(a) Program loan and grant funds may only be disbursed ~~to~~ upon submission to OHCS of invoices received from Manufactured dDwelling retailers, licensed contractors, financial institutions and lenders, title insurance companies, municipalities and government agencies, or other commercial entities for costs required for completion of the Manufactured Dwelling Replacement Project.¶

(b) ~~Program loan and grant funds cannot be disbursed to residents of the dwelling being replaced, persons who will reside in the new dwelling to be purchased by the program loan, or persons who will hold title to the new~~ Deposits to Manufactured Dwelling retailers for the purchase of the new Manufactured Dwelling may only occur after a placement permit has been received by the homeowner & verified by OHCS. Deposits for any purchases or work for the Manufactured Dwelling Replacement Project must not exceed 50% of the invoice or estimate total. ¶

(c) Program loan and grant funds cannot be disbursed to any individual or entity residing in or holding an ownership interest or security interest in the Manufactured dDwelling being replaced or persons who will hold title for any real property that the dwelling(s) are new Manufactured Dwelling is to be located or placed upon.¶

(12) The unpaid balance of the pProgram loan must be repaid in full upon:¶

(a) The homeowner's sale or voluntary transfer of the mManufactured dDwelling without OHCS prior written consent, within 10 years of homeowner occupancy; or¶

(b) The relocation of the mManufactured dDwelling without OHCS prior written consent; or¶

(c) The mManufactured dDwelling ceasing to be the homeowner's primary residence; or¶

(d) The replaced mManufactured dDwelling remaining on site 180 calendar days after the Manufactured Dwelling Replacement Project is completed.

Statutory/Other Authority: ORS 458.356, ORS 458.358

Statutes/Other Implemented: ORS 456.555, ORS 446.003, ORS 455.010, ORS 90.100

AMEND: 813-066-0025

RULE SUMMARY: Updating income eligibility.

CHANGES TO RULE:

813-066-0025

~~Borr~~Homeowner Eligibility and Requirements for Program Loans

Requirements for ~~borr~~homeowner eligibility include, but are not limited to, the following:¶

(1) The ~~m~~Manufactured ~~d~~Dwelling ~~must be the borrow~~that is being replaced must be owned by and used as the homeowner's primary residence a minimum of one year prior to the date of the homeowner's Program loan application.¶

(2) The new Manufactured Dwelling must be the homeowner's primary residence throughout the term of the loan.¶

(23) Homeowner's ~~m~~Manufactured ~~d~~Dwelling and income ~~meet~~must meet all conditions set forth in ORS 458.356.¶

(34) Homeowner's ~~m~~Manufactured ~~d~~Dwelling was:¶

(a) Constructed prior to 1995 and is not being replaced due to total loss incurred through fire damage, water damage, extreme weather, acts of vandalism, or other events commonly covered by homeowner's insurance; or¶

(b) Constructed on any date, destroyed or lost as a result of a Natural Disaster, and was homeowner's primary residence at the time of the Natural Disaster, ~~and h~~.¶

(5) Homeowner ~~doe~~has not received or been awarded any other natural disaster ~~m~~Manufactured ~~d~~Dwelling replacement loan or grant funds through OHCS.¶

(46) Homeowner's adjusted gross annual income is no greater than 100 percent (100%) of statewide or local area median income, whichever is greater, adjusted for household size at the time of application.¶

(57) Homeowner has completed an OHCS approved homeownership education course.

Statutory/Other Authority: ORS 458.356, ORS 458.358

Statutes/Other Implemented: ORS 456.555, ORS 446.003, ORS 455.010, ORS 90.100



AMEND: 813-066-0030

RULE SUMMARY: Updating the Decommissioning and Disposal Grant terms and eligibility.

CHANGES TO RULE:

813-066-0030

Program Decommissioning and Disposal Grant Terms and Eligibility

- (1) There is no minimum grant amount for decommissioning and disposal of the homeowner's current Manufactured Dwelling and the maximum grant amount allowable is the lesser of \$15,000 or the cost of decommissioning and disposal of the ~~m~~Manufactured ~~d~~Dwelling.¶
- (2) Grants will be awarded to an individual or entity that meets the qualifications set forth in ORS 458.358 and applicable administrative rules.¶
- (3) Grants may be awarded ~~i~~when all of the following requirements are met:¶
- (a) The grant is for the safe remediation of ~~m~~Manufactured ~~d~~Dwellings with environmental and public health hazards and risks, including asbestos, lead paint, and mold;¶
- (b) The grant is made to homeowners with an adjusted gross annual household income no greater than 100 percent (100%) of statewide or local area median income, whichever is greater, adjusted for household size at the time of application; ¶
- (c) The Manufactured Dwelling that is being demolished and disposed of must be owned by the grant recipient for a minimum of one year prior to the date of the grant application; and¶
- ~~(e)~~ The grant is for the decommissioning of ~~m~~a Manufactured ~~d~~Dwellings ~~that were~~ constructed prior to 1995 and ~~are~~is not being decommissioned due to total loss incurred through fire damage, water damage, extreme weather, acts of vandalism, or other events commonly covered by homeowner's insurance. ¶
- (4) A qualified individual or entity may apply for a grant without applying for a ~~p~~Program loan.¶
- (5) Documentation, as outlined in the procurement documents, confirming proper disposal of the decommissioned manufactured dwelling is required.¶
- (6) An entity is limited to receiving a total of five grants under this ~~p~~Program.

Statutory/Other Authority: ORS 458.356, ORS 458.358

Statutes/Other Implemented: ORS 456.555, ORS 446.003, ORS 455.010, ORS 90.100

AMEND: 813-066-0035

RULE SUMMARY: Updating the energy efficiency grant agreements terms.

CHANGES TO RULE:

813-066-0035

Manufactured Home Replacement Program Energy Grant Terms and Eligibility

- (1) ~~A portion of the g~~Grant funds may be used for Manufactured Dwelling Replacement Project completion as a means to deliver energy efficiency, pursuant to the OHCS Manufactured Dwelling Replacement Program.¶
  - (2) There is no minimum grant amount ~~and t~~. The maximum grant amount allowable is up to \$50,000 when combined with other OHCS Manufactured Dwelling Replacement funding; the maximum grant amount is \$125,000, when not used in combination with any other OHCS Manufactured Dwelling Replacement funding. ¶
  - (3) Grants will be awarded to an individual ~~or entity~~ that meets the qualifications set forth in ORS 458.358 and applicable administrative rules. ¶
  - (4) The Manufactured Dwelling that is being replaced must be owned by the grant recipient and used as the recipient's primary residence for a minimum of one year prior to the date of the grant application. ¶
  - (5) ~~The primary heating fuel source of the new m, replacement Manufactured dDwelling must be electric; and the home site must be located within Portland General Electric or Pacific Power service areas.~~ ¶  
(5) must meet Energy Efficiency Standards. ¶
  - (6) The new, replacement Manufactured Dwelling selected by the grant recipient must reviewed and approved by OHCS, must be a single or double section dwelling, and must be the same number of sections and similar size as the Manufactured Dwelling that is being replaced. (7) ~~An individual or entity~~ that qualifies under ORS 458.358 may apply for a grant through a process established by OHCS or an entity authorized by OHCS to administer the program. ¶
  - (67) ~~An individual must have an adjusted gross annual household income no greater than 100 percent (100%) of statewide or local area median household income, whichever is greater, adjusted for household size at the time of application.~~ ¶
  - (78) ~~The grant must be for the decommissioning and replacement of manufactured dwellings that are the homeowner's primary residence and that were manufactured prior to 1995.~~ ¶
  - (8) ~~New replacement manufactured dwellings must meet minimum Energy Efficiency Standards.~~ ¶
  - (9) ~~The new ma Manufactured Dwelling Replacement Project located within the Portland General Electric or Pacific Power service areas. that includes the decommissioning and replacement of a Manufactured dDwelling must have electric heating and cooling systems that meet Energy Efficiency Standards.~~ ¶  
(10) built prior to 1995. ¶
  - (9) ~~A qualified individual or entity may apply for a grant without applying for a program loan when decommissioning a m, OHCS Manufactured dDwelling older than 1995 and replacing it with a new, like-kind, mReplacement Program loan if funding availability for the entirety of the individual's Manufactured dDwelling Replacement Project can be verified.~~ ¶
  - (110) ~~Documentation, as outlined in the procurement docugrant agreements, confirming proper disposal of the replaced mManufactured dDwelling is required.~~ ¶
  - (11) Funding from grants must be used for the Manufactured Dwelling Replacement Project for the purpose of increasing energy efficiency and cannot be released until a placement permit for the new Manufactured Dwelling has been issued by the local permitting authority.
- Statutory/Other Authority: ORS 757.612, ORS 458.356, ORS 458.358  
Statutes/Other Implemented: ORS 456.555, ORS 446.003, ORS 455.010, ORS 90.100