

The League of Women Voters of Oregon is a 97-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League neversupports or opposes any candidate or political party.

April 10, 2017

To: House Committee on Human Services and Housing

Representative Alissa Keny-Guyer, Chair

Re: **HB 2002** – Expands Laws to Preserve Publicly Supportive Housing – **Support**

The League believes that government at all levels must make available sufficient funds for housing assistance programs and that programs should benefit communities that provide for lower-income families. Preserving existing affordable housing is critical to addressing our current housing crisis. With rents and home prices continuing to climb, the League supports HB 2002 to preserve the state's inventory of subsidized lower income rental housing.

The participating properties can provide safe, stable housing for low-income persons, such as seniors living on a fixed incomes and families struggling to make ends meet. Federal project-based rent assistance helps fuel local economies with streams of rent subsidies in properties across the state, while ensuring low rents for our most vulnerable populations.

This inventory of affordable housing can be lost if restrictions expire, mortgages mature and/or properties deteriorate. At risk are a large number of existing affordable properties that may be sold to private owners and converted to market rate rental units. If this happens, the federal rental subsidies are lost.

Subsidies can be preserved if properties are refinanced to extend affordability or when federal rent subsidies are renewed. At this time, they often are rehabilitated.

Many contracts are set to expire on these publicly supported properties. HB 2002 will require owners who want to sell their properties to give two-year notices to the Housing and Community Services Department, to local governments and to affected tenants. The two-year notices will give state and local governments time to assess whether they can purchase the properties at fair market value and preserve the affordable housing. Likewise, notices to vulnerable residents gives them time to find alternative suitable housing.

HB 2002 strengthens the state's housing preservation laws in three principal ways:

Expands the definition of publicly supported housing to include properties developed by federal, state and local affordable housing programs, including federal project-based rental assistance contracts, Low Income Housing Tax Credits and certain local housing programs.

Requires an owner of a participating property to provide a two-year notice to the Housing and Community Services Department, local governments or other agencies with an opportunity to purchase the property at a fair market value to preserve the affordable housing. Also, two-year notices must be sent to residents of the publicly-supported property. It authorizes the department to impose civil penalties to owners for violations.

Protects residents who suffer damages resulting from an owner's failure to provide required notices or to comply with other provisions of the law.

Oregonians with the lowest incomes continue to struggle to find decent, safe and affordable housing. The League believes maintaining this pool of subsidized affordable housing is of statewide concern. The loss of even a single unit of housing could mean that one more Oregon family may be without a safe and stable home.

Thank you for the opportunity to discuss this legislation.

Norman Turrill

cc:

LWVOR President

Hornan Lewill

Speaker Tina Kotek

Nancy A. Donovan

LWVOR Housing Portfolio

Many G. Donovan