



# Oregon

Governor Kate Brown

## Housing and Community Services

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Senator Fred Girod  
Representative Paul Holvey  
Co-Chairs, Ways and Means Subcommittee on Capital Construction  
900 Court St. NE, HR E  
Salem, OR 97301

### **Re: HB 5030 – Support for Affordable Housing Investments**

Dear Co-Chair Girod, Co-Chair Holvey, and Members of the Subcommittee:

I write to urge your support for Governor Brown's proposed investments to preserve existing affordable housing (\$25 million) and acquire private market affordable housing (\$15 million).

Communities across our state are facing unprecedented housing need and a severe shortage of affordable housing. As we work to increase our supply of affordable housing, it is critically important that we preserve Oregon's existing affordable inventory. We estimate nationally that for every one affordable home being developed, we are at risk of losing three – either to disrepair or conversion to market rate.

At OHCS, we are a steward of the hundreds of affordable properties we have supported through federal and state investments. The 2017 Legislature established the Housing Preservation Program, which includes the Oregon Affordable Housing Inventory, a statewide database of all publicly-supported affordable housing across the state. This program supports our work to preserve Oregon's affordable inventory, a recent example being Ya Po Ah Terrace in Eugene. This 18-story building represents nearly a third of all affordable housing for seniors in Eugene, 222 homes, and was a critical community resource to preserve.

State investment is essential to ensuring that public subsidies are renewed, rents are kept affordable, and properties are rehabilitated to maintain safe and accessible homes for residents. Preservation is important. The loss of even a single unit of housing could mean one more Oregon family cannot find a home. Your investment of \$25 million would preserve more communities like Ya Po Ah and ensure an additional 400 existing homes remain affordable.

As Oregon's housing and rental markets have become increasingly competitive, displacing families and uprooting communities, OHCS has looked to other states for innovative ideas to expand our housing portfolio. We are proposing a new strategy to acquire private rental market housing. Acquisition is a strategy to quickly move properties at risk of losing affordability for low to moderate income Oregonians in an effort to stem displacement. OHCS will work with high capacity owners and operators of multifamily housing to get these properties out of the cycle of speculative real estate investment and keep them affordable to current residents. An investment of \$15 million would support the acquisition of 450 homes.



Thank you for your consideration, I urge your support for \$25 million to preserve Oregon's existing supply of affordable housing and \$15 million for acquisition to expand that supply, two critical resources that will empower OHCS to prevent displacement and maintain safe, stable and affordable homes for Oregonians.

Sincerely,

A handwritten signature in black ink, appearing to read 'MSL', is written over a light gray rectangular background.

Margaret Solle Salazar  
Director, Oregon Housing and Community Services