

Joint Ways and Means Subcommittee on Transportation and Economic Development Oregon State Legislature 900 Court Street NE Salem, OR 97301

Dear Co-Chair Beyer, Co-Chair Gomberg, Members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to express our support for 5011, the agency budget bill for Oregon Housing and Community Services.

The Oregon Housing Alliance is a coalition of more than ninety organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the foundation on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices including affordable housing developers, residents of affordable housing, local jurisdictions, and organizations working to meet basic needs in every corner of our state.

We believe that all Oregonians need a safe, stable, and affordable place to call home.

Prior to the COVID-19 pandemic, we knew that already, too many seniors, families, and people who experience disabilities were paying too much of their income towards rent, and were experiencing other forms of housing instability. One in four renters in Oregon pay more than 50% of their income towards rent, leaving very little left over for basics like food, medicine, and transportation costs.

Today, we want to highlight several areas of the OHCS budget that are critical to our communities and residents.

Housing Stabilization

Across Oregon, people are experiencing housing instability. The COVID pandemic has brought significant resources to the state for rent assistance and rapid re-housing. After these resources are expended, there will be continued and ongoing need for additional funds, and the Legislature should commit \$50 million to the Emergency Housing Account (EHA) and the State Homelessness Assistance Program (SHAP) to distribute emergency rent assistance, rapid re-housing resources, and emergency shelter support.

Oregon also has one of the highest rates of youth homelessness, including youth in the K-12 system, youth exiting the foster care system, and unaccompanied youth. The Housing Alliance

supports the inclusion of \$4.5 million in HB 5011 to provide long term rent assistance for youth experiencing homelessness.

With respect to the Oregon IDA Initiative, included in HB 5011, the Housing Alliance supports HB 2551 which renews the tax credit to fund the Initiative. We also support a general fund allocation of \$7 million, as described in the testimony from the IDA Initiative, which is both needed and the best way to ensure robust funding to meet current demand across the Initiative. We would encourage the committee to support the staffing request for OHCS to increase their staff capacity which works collaboratively with the IDA Initiative. Having dedicated, ongoing General Fund resources for OHCS staffing would mean more dollars would be available to serve additional IDA savers across Oregon.

Building and maintaining affordable housing

Across Oregon, we simply do not have enough affordable and available homes for every household who needs one. For many decades, though, organizations across Oregon, affordable housing developers and public housing authorities have been building safe, stable, and affordable homes. These rental homes receive public funds, and in exchange, follow strict rules about the incomes of people who qualify for the housing, how much rent can be charged, and how long the property must remain affordable. We have many local, state, and federal tools to help pay for the development of these apartment homes, although the need for these homes is far greater than the currently available resources. We urge the Legislature to do more to build and maintain more affordable homes in the 2021-23 biennium.

Agricultural workers and their families are in need of safe and affordable homes to live in, either temporarily during harvest or permanently. Many agricultural workers live in substandard or overcrowded housing, while working hard to put food on the table for Oregon families. The Agricultural Workforce Housing Tax Credit is used to develop housing for agricultural workers both on farms and in the community, and the Housing Alliance supports the proposed expansion of the program to \$24 million through HB 2096.

Additional resources to develop regulated affordable housing are needed, including rental and homeownership opportunities. Since 2015, developers have successfully utilized general obligation bonds to build affordable housing through the Local Innovation and Fast Track, or LIFT Housing program. In 2021, the Legislature should commit \$250 million in Article XI-Q General Obligation bonds to this successful program for both rental and homeownership units. Developers stand ready to build more affordable rental homes for people with low incomes across Oregon.

Permanent supportive housing is one of the key solutions to ending homelessness for people who experience health conditions, mental health issues, or addictions disorders. The Legislature should commit \$50 million in General Obligation Bonds and resources for rent assistance and services to help develop new supportive housing across Oregon.

Lastly, across Oregon, we need to maintain our supply of existing affordable housing, and reinvestment is needed to maintain safe, stable, and affordable homes. These funds are needed to help to maintain all regulated, multifamily affordable housing, as well as public housing and

manufactured home parks. The Legislature should commit \$100 million in Lottery Bonds to meet needs to maintain existing affordable housing across Oregon.

Investing in Affordable Homeownership

Addressing Racial Disparities in Homeownership: The Governor's Budget includes \$2 million to provide expand funding for staff to provide technical assistance and outreach to communities of color to fund strategies such as language access technical assistance, collaboration with culturally specific organizations, and outreach strategies targeted to communities of color. The Housing Alliance supports this request, and urges its consideration.

Manufactured Home Park Preservation and Manufactured Home Replacement: Across Oregon, manufactured home parks are at risk of sale or closure. HB 5011 includes \$3.5 million to increase efforts to preserve manufactured home parks. In addition, thousands of Oregonians live in manufactured homes that were built before stricter laws were implemented by the US Department of Housing and Urban Development (HUD) for health, safety, design, and materials, or people may have lost their manufactured homes due to wildfire. HB 5011 expands on a program funded in 2019 to support homeowners to replace their homes by proposing an additional \$2.5 million for this work. We urge your support of both of these proposals.

Staffing Request

In addition, part of what I wanted to highlight for you today was the need for continued and expanded capacity within OHCS. Partners across the state, including members of the Housing Alliance, rely on OHCS to do their work, to hold funding competitions for affordable housing developments, to distribute emergency rent assistance and shelter funding, to support foreclosure counseling, and more. All of this requires staff capacity, both within OHCS and within partner agencies. For the past year, as our communities have struggled to respond to COVID, and then wildfires, both OHCS and agencies have responded – going above and beyond – while facing a lack of staff capacity and overwhelming their current staff. We urge you to fund the OHCS request for additional staff, to help ensure that the work happens in a timely and efficient manner.

We urge you to support HB 5011, and invest in housing opportunity for the 2021-23 biennium.

Thank you very much for your time, and for your service to our state.

Sincerely,

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Alison McIntosh On Behalf of the Oregon Housing Alliance

Housing Alliance Members

1000 Friends of Oregon 211 info Aging in the Gorge Benton Habitat for Humanity Bienestar Bradley Angle BRIDGE Housing Business for a Better Portland CASA of Oregon Central City Concern Chrisman Development Church Women United of Lane County City of Beaverton City of Eugene City of Forest Grove City of Hillsboro City of Hood River City of Portland City of Tigard Clackamas County Coalition of Community Health Clinics Coalition of Housing Advocates College Housing Northwest Community Action Partnership of Oregon Community Action Team Community Alliance of Tenants *Community Development Partners* Community Housing Fund Community Partners for Affordable Housing Community Vision Cornerstone Community Housing DevNW Ecumenical Ministries of Oregon **Enterprise Community Partners** Fair Housing Council of Oregon Farmworker Housing Development Corp. FOOD for Lane County Habitat for Humanity of Oregon Habitat for Humanity Portland/Metro East Hacienda CDC Home Forward Homes for Good Housing Authorities of Oregon Housing Authority of Clackamas County Housing Development Center Housing Oregon Human Solutions

Immigrant & Refugee Community Organization Impact Northwest Innovative Housing, Inc. Interfaith Alliance on Poverty **JOIN** Lane County Health and Human Services League of Oregon Cities League of Women Voters of Oregon Lincoln County Looking Glass Community Services Mainstream Housing Inc. Metro *Mid-Columbia Housing Authority* NAYA Family Center Neighborhood Partnerships *NeighborImpact* NeighborWorks Umpqua Network for Oregon Affordable Housing Northwest Housing Alternatives Northwest Pilot Project **Oregon AFSCME Council 75** Oregon Coalition of Christian Voices Oregon Center for Public Policy **Oregon Coalition on Housing & Homelessness** Oregon Council on Developmental Disabilities Oregon Food Bank Our Children Oregon Partners for a Hunger-Free Oregon Portland Community Reinvestment Initiatives Portland Homeless Family Solutions Proud Ground Raphael House REACH CDC *Residents Organizing for Change (ROC Oregon)* Rogue Action Center Rose CDC St. Francis Shelter St. Vincent de Paul of Lane County, Inc. ShelterCare Sisters Habitat for Humanity Sponsors, Inc. SquareOne Villages Street Roots Think Real Estate Transition Projects Washington County Welcome Home Coalition

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