



Everyone deserves a place to call home.

May 5, 2021

Joint Ways and Means Subcommittee on Capital Construction  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Co-Chair Girod, Co-Chair Holvey, and Members of the Committee:

We write to you today as members of the volunteer Advocacy Committee at REACH Community Development in support of SB 5534, and the inclusion of \$100 million in Lottery bonds to preserve and maintain existing affordable housing.

A healthy community begins at home and a healthy community has a range of housing options affordable to people at all income levels. Today, communities across Oregon are failing this basic measure of community health. The average worker in Oregon, earning the median income and paying the median 2 bedroom rent, will pay 45% of their income in rent (National Low Income Housing Coalition 2020 report). And for seniors whose primary income is social security, there is virtually no housing available that is affordable to them, unless it is subsidized in some way.

Over the years, thousands of affordable apartment homes have been created in towns and cities across Oregon. Some of these affordable apartment homes were built by private owners using resources from state and federal government, including rental assistance which helps households with low incomes to pay the rent every month. In many of our smaller communities, these buildings are the only affordable apartment homes available.

REACH maintains a growing portfolio of now over 2,500 of these affordable homes that we intend to keep permanently affordable. However to accomplish this long-range objective, we must preserve and re-invest in buildings as they age. We set aside reserves to handle typical maintenance and replacements, but every 25 to 50 years any building will need a large capital investment to renovate and replace all of the core building systems. State lottery bonds can be used to help preserve these aging buildings as affordable for many decades to come. It is a smart investment in the future of our state.

Fortunately, Oregon has a fair quantity of affordable housing developed over 25 years ago and now it is the time to invest in these aging homes. For examples, REACH just recently preserved the Rose Apartments in Portland, an historic 100 year old affordable apartment building very close to downtown that will now last for another century. We have four more similar buildings in need of investment, totaling over 200 affordable homes located close to downtown Portland. An investment in preserving these homes as affordable is both intelligent and equitable for our communities long term.

We urge your support for the inclusion of \$100 million to preserve and maintain affordable housing in communities across Oregon. Thank you for your time and for your service to the State of Oregon.

Sincerely,

Edward Knightly, Committee & Board Member  
Dan Valliere, CEO

Samm McCrary, Committee & Board Member  
Frederic Dupeyroux, Committee Member