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Senate Committee on Rules 900 Court Street NE, Room 453 Salem OR, 97301

Re: Support for HB 3318

Chair Wagner, Vice Chair Girod, and Members of the Committee:

Housing Works is the regional housing authority for Central Oregon, serving Deschutes, Crook and Jefferson Counties. Since 1977, Housing Works has developed over 1,200 deed restricted affordable housing units in addition to managing the region's Housing Choice Voucher program serving nearly 1,300 households. Our mission is "providing dignity through housing" and as such, our goal is to help lift families from poverty by providing safe and affordable housing. Central Oregon and particularly the City of Bend, is the fastest growing region in the State with a limited ability to grow the supply of housing. Rents and home prices in the City of Bend are equivalent to the rents and prices in the Portland Metro area, while wages and incomes are not. More importantly, rents are rising more than five times faster than they are in Portland. As a result, more than a quarter of the region's renters pay more than half of their income on rent and the number of houseless, including families, has nearly doubled since 2015. Rental housing in Bend is simply unaffordable to many working Bend families even if they can actually find a vacant unit, which is challenging with a vacancy rate near 2%.

HB 3318 will add an additional 260 acres of non-farmland to Bend's Urban Growth Boundary, but more importantly, HB 3318 requires that 18 acres of this property be deed restricted for housing for those earning 60% of the area median income or less. This might not sound like a lot, but it represents over 800 new affordable housing units. Currently, land zoned for high density residential housing in Bend sells for well over \$1 million an acre, if you can find it. Affordable housing develoers simply cannot acquire suitable land at these prices.

Bend's last Urban Growth Boudary adjustment was in 2016 and probably a third of the land added is already underdevelopment with the rest in the master planning process. None of that remaing land has any space dedicated for this type of deed restricted affordable housing. HB 3318 represents the only hope for adding significant numbers of affordable rental units in Bend over the next five to ten years.

Thank you for your consideration of this legislation, and your service to our State.

Sincerely,

David Brandt

David Brandt Executive Director