

Wednesday, February 1, 2023

Sheila Stiley, Board chair – NW Coastal Housing

*Kymberly Horner, Vice-chair - Portland Community Reinvestment Inc.* 

Rachael Duke, Secretary -Community Partners for Affordable Housing

Kristy Rodriguez, Treasurer - Housing Authority of Malhuer & Harney Counties

Trell Anderson – Northwest Housing Alternatives

David Brandt -Housing Works

Wakan Alferes -Homes for Good

Rita Grady – Polk CDC

Maria Elena Guerra -Farmworker Housing Development Corp

Nkenge Harmon Johnson – Urban League of Portland

Brad Ketch – Rockwood CDC & Community Dev. Corp. of Oregon

Erica Mills – NeighborWorks Umpqua

Shannon Vilhauer – Habitat for Humanity Oregon Representative Maxine Dexter Chair, House Housing and Homelessness Committee 900 Court St NE, H-283 Salem, OR 97301

Chair Dexter, Co-Vice Chair Gamba, Co-Vice Chair Helfrich, and Members of the Committee:

Housing Oregon urges you to support HB 3042 in order to improve our chances of preserving more expiring properties and preserving modest protections for residents living in properties that do convert to market.

As the membership-based statewide association of affordable housing nonprofit developers committed to serving and supporting low-income Oregonians across the housing needs spectrum – from homeless to homeowner – we hope you agree we must do all we can to preserve the affordable rental homes we already have.

Thousands of affordable apartment homes across Oregon have been built by private owners using public subsidies from both state and federal sources. These tax credits and long-term rental assistance contracts have helped many low income residents pay their rent. Owners entered into long-term use agreements that guaranteed affordability for periods up to 40 years.

Over the next 10 years, use restrictions on over 7,500 units of affordable housing will end and many properties will become unrestricted, market rate rental housing. Each year more and more low-income tenants, with few housing options, will be exposed to dramatically increased rents. Many of these properties will be preserved, but some will convert to market rate housing.

Residents of expiring publicly supported housing deserve to be notified of the impending changes in their housing situation.

HB 3042 will align the tenant notice requirement timeline with the current 30-month notice provided to the state and local government. Specifically, it will make the Notice to tenants passed during the 2021

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session, effective on passage of the 2023 bill. Owners will be required to inform all prospective tenants of the pending expiration prior to signing a lease or charging application-screening fees.

HB 3042 will also establish a three-year safe harbor period applicable to all withdrawing publicly supported housing. The safe harbor provision would protect residents from large increases during the transition to market rents. In addition, OHCS would be required to monitor and enforce the three-year safe harbor period and add penalties for noncompliance of notice requirements and violations of the safe harbor period rent limits.

The loss of existing publicly supported housing destabilizes our communities and impacts our most vulnerable low-income families, seniors and people living with disabilities. We urge your support of HB 3042.

Thank you very much for your consideration of our comments, and for your service to our state. You can reach me at 503-475-6056 or <u>brian@housingoregon.org</u>.

Sincerely,

Brian Hoge

Brian Hoop Executive Director Housing Oregon