



March 28, 2023

Senator Kayse Jama
Cahir, Senate Committee on Housing and Development
900 Court St NE
Salem, OR 97301

Re: Support for SB 977-1

Dear Chair Jama and Members of the Committee:

I write on behalf of Home Forward in strong support of Senate Bill 977-1. This bill would expand the current exemption from prevailing wage requirements for affordable housing and allow for a prorated application of prevailing wage requirements for mixed-use development.

Home Forward is a Public Housing Authority (PHA) and the largest provider of affordable housing in the state of Oregon. We serve more than 15,500 Multnomah County low-income households by providing affordable housing, administering rent assistance, and providing supportive services. Our mission is to assure that the people of our community are sheltered. We own and manage over 6,500 homes throughout Multnomah County. We also provide households with services which range from youth support to health and wellness. Meanwhile, we fund rent assistance for thousands of households residing in private unregulated housing that we do not directly oversee. We administer emergency rent assistance programs that benefit landlords and tenants alike, including Short Term Rent Assistance, the Landlord Compensation Fund, and the Landlord Guarantee Fund.

Under current law, affordable housing developers are exempt from paying prevailing wages for the creation of affordable housing units. However, Oregon law currently requires affordable housing developers to pay the higher prevailing wage rate for an entire development that includes commercial space. The vast majority of affordable housing developers cannot afford to pay these increased costs per unit.

Passage of SB 977-1 would allow affordable housing developers to consider mixed use projects that they otherwise would have turned down due to the increased costs thus expanding the likelihood of greater affordable housing production. In addition, SB 977-1 would allow for affordable housing developers to think more holistically about the needs of the community that will call this development home. For example, under this bill, affordable housing developers could incorporate childcare facilities, co-located service providers, or small business storefronts that serve the community.

As a systems partner with many of our community's valued culturally-specific providers, Home Forward is committed to responding to the needs of the BIPOC community as identified by culturally-specific providers. For example, in April, Home Forward is excited to hold the grand opening of the Hattie Redmond Apartments in partnership with Urban League. The Hattie Redmond will provide 60 permanent supportive housing studio units to individuals who have experienced homelessness. In order to provide culturally responsive services to the Black community that is disproportionately represented in our homeless community, the Hattie Redmond will provide space for Urban League staff to provide critical wrap around services. As the largest provider of affordable housing, we know that Home Forward is

uniquely positioned to absorb the added costs that this entails but that is not the case for most affordable housing developers.

We ask that this committee support this bill and expand the exemption to the affordable housing component of mixed-use projects. Thank you for the opportunity to testify. Please contact Christina Dirks, Interim Director of Policy and Planning, Home Forward at (503) 348-1196 or christina.dirks@homeforward.org regarding these comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christina Dirks', with a long horizontal flourish extending to the right.

Christina Dirks
Interim Director of Policy and Planning
Home Forward