



March 31, 2023

Co-Chairs Girod and Holvey
Joint Committee on Ways and Means Subcommittee on Capitol Construction
900 Court Street NE
Salem, OR 97301

RE: Support Bond Investment in Affordable Housing (HB 5005)

Dear Co-Chairs Girod and Holvey, Members of the Committee:

Community Partners for Affordable Housing (CPAH) urges your support for HB 5005, which would provide critical bonding resources for housing investments during the 2023-25 biennium. Programs HB 5005 would fund are critical to increase affordable housing development in support of Governor Kotek's ambitious housing production goals. These investments will help address our state's shortage of 140,000 homes, of which half need to be affordable, as called for in the Oregon Housing Needs Analysis.

CPAH has been providing affordable housing and services to residents of Washington County and the City of Portland for over 30 years. Since 2020, CPAH has opened two new affordable communities with a new Permanent Supportive Housing community opening later this spring, and even more affordable homes in our pipeline. Despite this, Oregonians are facing a growing housing affordability crisis. With the funding from HB 5005, CPAH will have more opportunities to provide dignified, affordable housing and greater housing choice to more Oregonians whether through affordable rental housing or affordable homeownership.

HB 5005 directs \$906 million in General Obligation Bonds for investment to the Local Innovation and Fast Track (LIFT) Rental Housing and Homeownership programs and the Permanent Supportive Housing Program. The LIFT programs have leveraged federal and private investments contributing to the production of 6,045 affordable rental homes and 473 homeownership opportunities for families in rural Oregon and communities of color. The Permanent Supportive Housing (PSH) program has created over 600 deeply affordable homes for people experiencing chronic homelessness connecting them with wrap around services.

HB 5005 allocates \$450 million in Private Activity Bonds (PAB) from federal resources to Oregon Housing and Community Services. CPAH use PABs to leverage tax-exempt private capital through the federal 4% Low Income Housing Tax Credit program. PAB investments make the LIFT program more successful and support local housing bond investments, bringing in more federal resources for both the production of new units and the preservation of existing affordable housing stock.



COMMUNITY PARTNERS
FOR AFFORDABLE HOUSING

P.O. Box 23206 * Tigard, OR 97281-3206 * cpahoregon.org
Tel: 503.293.4038 * Fax: 503.293.4039 * TTY/VCO: 800.735.2900

CPAH urges the subcommittee's support for HB 5005. Thank you for your time and for your service to the State of Oregon.

Sincerely,

Rachael Duke

Rachael Duke, Executive Director
Community Partners for Affordable Housing