



# CITY OF HOOD RIVER

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March 30, 2023

Senator Girod, Representative Holvey, and members of the Joint Subcommittee on Capital Construction:

On behalf of the City of Hood River, I am writing to convey our strong support for HB5005, which would provide funding for the Housing and Community Services Department Local Innovation and Fast Track (LIFT)/Permanent Supportive Housing Programs.

For many residents of Hood River, housing that they can afford is out of reach. Service providers report that there are urgent, unmet needs for affordable housing for people of color, seniors, people with disabilities, and farm workers as well as low-income households. About 43% of renters in Hood River are cost burdened, and homeownership is unobtainable for most people living and working here. Not only do community members report difficulty finding affordable housing, but also that the housing inventory in Hood River does not meet their needs, with units in poor condition or too small for their households. Employers struggle to attract and retain workers due to high housing costs and general scarcity of rental and ownership housing.

The City—along with our public sector partners including Hood River County, the Mid-Columbia Housing Authority, the Hood River Parks and Recreation District, and the State—have prepared and invested significant time and resources towards a project to create 129 affordable rental units on seven acres of land that the City purchased for this purpose. The partners have also agreed to provide up to \$1 million to subsidize the project including through absorption of system development charges.

Local Innovation and Fast Track (LIFT) funding coupled with Low Income Housing Tax Credits (LIHTC) and Private Activity Bonds (PAB) are critical to making the City's project and others like it a reality. LIFT is a nationally recognized and successful tool to provide gap financing for affordable housing projects. LIFT focuses on developing new affordable homes for rent and for ownership that serve historically underserved communities, including rural areas of the state and communities of color.

Currently, the number of quality applications far outstrip available LIFT funds resulting in a continued shortage in critically needed affordable housing across the state. The funding included in HB 5005 would make a difference to Oregon families, employers and their communities.

I strongly urge your support of HB 5005 and the LIFT funds included in the bill.

Sincerely,

Mayor Paul Blackburn