



HOUSING SENIORS | CREATING HOPE | PILOTING CHANGE

April 17, 2023

Senator Kayse Jama
Chair, Senate Committee on Housing and Development
900 Court St NE, S-409
Salem, OR 97301

RE: **Support for HB 3042**

Chair Jama, Vice-Chair Anderson, and Members of the Committee:

Thank you for the opportunity to share testimony, on behalf of Northwest Pilot Project, in strong support of HB 3042 which provides protections from large rent increases, and transparency on expiration timelines for low-income renters whose homes are losing their long term affordability restrictions.

Northwest Pilot Project (NWPP) is a social service agency with over five decades of experience in providing housing stabilization services to low and very low-income older adults, age 55 and over, experiencing or at risk of homelessness in Multnomah County. As a service provider for older adults, who are the fastest growing age segment of the population experiencing homelessness,¹ we know that there is a direct link between rental cost burdens for low-income seniors and their risk of homelessness. With more than half of all older adult renter households being cost burdened (paying more than 30% of their rent),² any increase in the cost of rent places an unbearable strain on households that are already struggling. The threat of displacement due to rent increases only exacerbates the risk of further homelessness and prolonged housing instability for low-income seniors.

Over the next 10 years, the affordability restrictions on 7,500 units of affordable rental housing will expire, threatening the security of countless seniors on fixed incomes who will have few other housing options affordable to them in Oregon's private rental market. HB 3042 will provide residents

¹ Homelessness Among Older Adults: An Emerging Crisis (Generations Journal, Summer 2020), Dr. Margot Kushel, American Society on Aging. <https://generations.asaging.org/homelessness-older-adults-poverty-health>

² Issue Brief: Low-Income Older Adults Face Unaffordable Rents, Driving Housing Instability and Homelessness (February 2021), Justice In Aging. <https://justiceinaging.org/wp-content/uploads/2021/02/Older-Adults-Rental-Housing-Burdens.pdf>

of expiring affordable housing with the notice they require and deserve in order to have adequate time to find alternative housing options. Specifically, the bill will ensure that tenants receive a minimum 20-month advanced notice of their housing losing affordability restrictions. Considering that wait lists on many subsidized housing properties are 3-5 years long, this lead time is crucial for low-income residents, especially older adults who often need additional support and accommodations to find new housing that they can afford.

In addition, for residents living at the property at the time of expiration, HB 3042 creates a modest protection from large rent increases for a three-year safe harbor period as the property transitions to market rate. During the safe harbor period, rent increases over 5% would be subject to review and approval by Oregon Housing and Community Services.

HB 3042 is a reasonable measure to address the crisis we are currently facing with thousands of affordable housing units losing their affordability in the coming years. We thank you for your time and thoughtful consideration of this bill.

Sincerely,

Laura Golino de Lovato
Executive Director
Northwest Pilot Project