



Date: April 17<sup>th</sup>, 2023  
To: Senate Committee On Housing and Development  
From: Crystalyn Black, Policy Analyst for the Urban League of Portland  
Re: Support for Protections for residents of housing with expiring affordability restrictions,  
HB 3042-A

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

Thank you for the opportunity to provide testimony in support of House Bill 3042. My name is Crystalyn Black, I am a Policy Analyst with the Urban League of Portland. The Urban League of Portland is one of Oregon's oldest civil rights and social service organizations, empowering African Americans and others to achieve equality in education, employment, health, economic security, and quality of life to thrive across Oregon and SW Washington.

Affordable housing is the number one issue on the minds of Oregonians as thousands endure houselessness. Rental rates are projected to increase by 14.6%<sup>1</sup> at a time where affordable housing stock created by publicly supported housing dwindles. In 1986 with the introduction of the Low-Income Housing Tax Credit, we saw a boom of affordable housing created where developers were able to construct or convert units into affordable housing units then claim tax credits for their property. Many of these contracts hold a 30-year term. Over the next 8 to 10 years, use restrictions on keeping 7,566 units affordable will expire and current residents of these units are not currently provided notice of this impending expiration. As these contracts expire, mortgages reach maturation, and buildings fall into disrepair, they leave renters with a low income on a proverbial cliff without time to find an affordable rental as their rents increase to market rate.

This is especially concerning for Black Oregonians, other communities of color, the elderly, and veterans. According to the "Recommendations of the Task Force on Homelessness and Racial Disparities in Oregon" report to the Oregon State Legislature, the data shows that in Oregon, "people who identify as Black or African American are 2% of the total population, 4% of those in poverty, and 6% of those experiencing homelessness. In other words, the percentage of Black people experiencing homelessness is 3 times their share of the total state population."<sup>2</sup> Additionally, we know that evictions and rent hikes create disproportionate harm to BIPOC communities, that Black women in Oregon are twice as likely to face eviction, and that BIPOC Oregonians are more likely to be renters because of systemic barriers to housing and employment. If we do not take safeguards to keep those who are currently housed in their homes, we will see a further exacerbation of the homelessness crisis we are already facing. According to HUD a household is considered housing cost-burdened if they spend more than 30%<sup>3</sup> on housing; for median waged Portland Black families, they cannot afford a rental unit in almost any Portland neighborhood without being cost burdened<sup>4</sup>. Passing HB 3042 is an opportunity to keep people from falling into houselessness.

HB 3042-A requires owners of expiring supported housing units to provide a 20-months advanced notice to residents and establishes a three-year safe harbor period as the rents

<sup>1</sup> Cuthill, [Rent hikes capped at 14.6% for most Oregonians next year, the highest since limits passed](#), 2022.

<sup>2</sup> "[Findings and Recommendations of the Task Force on Homelessness and Racial Disparities in Oregon](#)", January 2022, 2022.

<sup>3</sup> U.S. Department of Housing and Urban Development, [Glossary of Terms to Affordable Housing](#), 2011.

<sup>4</sup> Portland Housing Bureau, [State of Housing in Portland 2021](#), 2021.



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transition to market rate. It is important to note that this does not create a cap on rent but a review of units that are under lease for 5% or more rental increase. These protections are necessary to keep Oregonians housed. The Urban League of Portland urges your support for House Bill 3042-A.

Respectfully,

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