



*Rachael Duke, Board
Chair - Community
Partners for
Affordable Housing*

*Kymberly Horner -
Vice-chair - Portland
Community
Reinvestment Inc.*

*Kristy Rodriguez,
Treasurer - Housing
Authority of Malheur
& Harney Counties*

*Shannon Vilhauer -
Secretary - Habitat
for Humanity of
Oregon*

*Trell Anderson - NW
Housing Alternatives*

*Jessica Blakley -
Salem Housing
Authority*

*David Brandt -
Housing Works*

*Rita Grady - Polk
CDC*

*Maria Elena Guerra -
Farmworker Housing
Development Corp*

*Nkenge Harmon
Johnson - Urban
League of Portland*

*Erica Mills -
NeighborWorks
Umpqua*

*Hai Nguyen - East
County Housing (CDC
of Oregon)*

*Sheila Stiley - NW
Coastal Housing*

Feb. 16th 2024

Senator Fred Girod, Co-Chair
Representative Paul Holvey, Co-Chair
Joint Committee on Ways and Means, Subcommittee on Capital
Construction
900 Court Street NE
Salem, OR 97301

Re: Support for Affordable Housing Preservation in HB 5201
Dear Co-Chair Girod, Co-Chair Holvey, and Members of the
Subcommittee:

On behalf of Housing Oregon, a collective voice representing mission-driven organizations in community development, I am writing to urge your support for the allocation of lottery-backed bond revenue towards the preservation of Oregon's existing affordable housing infrastructure.

In the coming five years, Oregon is facing a critical juncture where nearly 5,000 units of regulated affordable housing are set to lose their affordability restrictions. This situation places thousands of our state's low-income households in jeopardy, at risk of losing their homes due to escalating costs.

The urgency of this issue is further underscored by the plight of 1,400 units of affordable housing across 24 properties, currently in a state of limbo following unsuccessful funding applications to the Oregon Housing and Community Services (OHCS) in 2022.

Furthermore, affordability restrictions for 923 homes are set to expire by the end of 2025, amplifying the immediate need for action. Our concern also extends to the residents of manufactured housing parks, who are increasingly vulnerable.

On average, 32 parks are sold annually, potentially displacing nearly 1,800 low-income households each year. During the 2021-23 biennium, out of 69 parks (encompassing 3,665 homes) put up for sale, a mere seven could be preserved as affordable housing due to limited funding.

P.O. Box 8427, Portland, OR 97207

OHCS's estimation indicates that preserving existing affordable housing would cost approximately \$200 million per biennium. The allocation of \$50 million in 2023, though a positive step, falls significantly short of this requirement. An additional investment of \$30 million in 2024 would facilitate the preservation of about 400 affordable homes, thereby ensuring long-term stability for hundreds of low-income households.

With an average preservation cost of \$72,000 per unit, such an investment not only emerges as a cost-effective strategy but also stands as a moral imperative. It prevents the displacement of vulnerable Oregonians and secures affordable housing for future residents.

We, at Housing Oregon, strongly advocate for seizing this opportunity to substantially address the affordable housing crisis with a \$30 million investment in 2024.

Thank you for considering this urgent appeal. Together, we can make a meaningful difference in the lives of many Oregonians in need of stable, affordable housing.

Sincerely,

Kevin C. Cronin
Director of Policy & Advocacy
Housing Oregon