



HOUSING SENIORS | CREATING HOPE | PILOTING CHANGE

February 16, 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:

Northwest Pilot Project calls on you to allocate lottery-backed bond revenue to preserve Oregon's existing affordable housing and greatly reduce the risk of thousands of low-income households across the state losing their homes.

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. Older adults are currently the fastest growing age segment of the homeless population.<sup>1</sup> 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 (spending more than 30% of their income on rent),<sup>2</sup> 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 five years, the affordability restrictions on approximately 5,000 units of regulated 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. 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

---

<sup>1</sup> 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>

<sup>2</sup> 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>

Housing and Community Services (OHCS) in 2022. Furthermore, affordability restrictions for 923 rental units 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.

OHCS's estimation indicates that preserving existing affordable housing would cost approximately \$200 million per biennium. The Legislature's 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.

At an average cost of \$72,000 per unit, preservation is a cost-effective and morally urgent investment that prevents the displacement of low-income Oregonians – while also securing affordable homes for future residents. Northwest Pilot Project urges the subcommittee's support for the inclusion of \$30 million in preservation funding through HB 5201. Thank you for your time and consideration.

Sincerely,

Laura Golino de Lovato  
Executive Director  
Northwest Pilot Project