



House Committee on Housing & Development

Testimony in Support of HB 3589

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AARP is a nonprofit, nonpartisan organization with 500,000 members in Oregon. We work to improve the quality of life for all as we age and advocate on issues that matter to 50+ Oregonians – including health security, financial resilience and livable communities.

AARP supports for HB 3589 and urges your support of the bill to establish a new senior housing development initiative. This legislation is a critical step towards addressing the housing crisis and its unique and disproportionate impacts on older adults in our state.

By 2034 we will have more older adults than people under 18. This is a permanent demographic shift. We're one of the oldest Western states and aging faster than the rest of the country. Older adults are the fastest-growing segment of the population in Oregon. As our population ages, the need for affordable and accessible housing becomes increasingly urgent. According to the Portland State University Population Research Center, the number of adults aged 65 and older in Oregon is projected to increase by 59% from 2022 to 2050, reaching approximately 1.28 million. This demographic shift underscores the necessity of investing in housing solutions that support aging in place.

Financial insecurity is a significant concern for older adults. Many live on fixed and limited incomes, making it challenging to afford rising housing costs. Nationally, 80% of adults aged 60 and older face financial insecurity, with many unable to handle unexpected financial emergencies. In Oregon, the average monthly Social Security benefit for residents aged 65 and older is approximately \$1,600. While this provides some support, it is insufficient to cover the full spectrum of living expenses, particularly for those with limited additional resources.

The housing needs of older adults in Oregon are substantial. According to the Oregon Housing and Community Services (OHCS), there is a significant shortage of affordable housing units, with many older adults facing high housing cost burdens. Approximately 54% of renters aged 65 and older spend more than 30% of their income on housing, which is considered a cost burden. The housing cost burden also increases with age. Additionally, the lack of accessible housing options exacerbates the challenges faced by older adults and individuals with disabilities.

Homelessness among seniors is a growing concern. In fact, older adults are one of the fastest growing segments of homelessness in Oregon. In 2023, the Point-In-Time (PIT) count recorded 20,110 individuals experiencing homelessness across Oregon on a single night, with a

significant portion being older adults. The OHCS reported that approximately 15% of the homeless population in Oregon are seniors aged 55 and older. This highlights the urgent need for targeted interventions to support this vulnerable group.

Health issues among seniors are also a critical concern. According to the Oregon Health Authority, older adults in Oregon face higher rates of chronic conditions such as heart disease, diabetes, and arthritis. Approximately 40% of adults aged 65 and older have at least one disability, and nearly 30% have multiple chronic conditions. These health challenges further emphasize the need for housing that supports aging in place and provides a safe and accessible environment.

The impact of housing on senior health cannot be overstated. Housing affordability, physical quality, and location significantly influence physical and mental health outcomes. Stable, affordable, and accessible housing can reduce stress, improve mental health, and provide a safe environment that supports the management of chronic conditions. Conversely, poor housing conditions and instability can exacerbate health issues and increase the risk of injury and illness. Housing is truly the linchpin of well-being as we age.

HB 3589 utilizes funds from the existing Senior Property Tax Deferral Program to address the pressing issue of affordable senior housing. By utilizing excess funds from this program, the bill provides a sustainable source of funding for the development, rehabilitation, and preservation of housing targeted at older adults and persons with disabilities. This innovative approach not only addresses the immediate need for affordable housing but also ensures that resources are used efficiently and effectively.

Furthermore, the bill prioritizes the development of accessible housing. This is a crucial component, as the current housing stock in Oregon lacks sufficient accessible options for older adults and individuals with disabilities. By focusing on accessibility, HB 3589 ensures that housing developments meet the needs of our aging population, enabling them to live independently and safely in their communities.

AARP Oregon believes HB 3589 is a vital part of the solution to the housing crisis facing older adults in our state. The gaps we currently have in affordable and accessible housing available for older persons and those with disabilities in our communities will continue and widen as our community ages. We need continued bold action in addressing to start now to provide safe, accessible, appropriate, and affordable housing for the older Oregonians of today and tomorrow. HB 3589 is an important step towards that!

By investing in affordable and accessible housing, we can improve the well-being of Oregonians as they age and create a more inclusive and age-friendly state where we can live and age well.

Thank you for your consideration.