



March 11, 2025

Sen. Khanh Pham, Chair
Committee Members
Senate Committee on Housing & Development
State Capitol
Salem, OR 97301

Re: SB 684 - Revolving Loan Fund for Mixed Income Residential Projects

Dear Chair Pham, Vice-Chair Anderson, and Committee Members:

Thank you for the opportunity to provide testimony **in support of Senate Bill 684**, as modified by the -1 amendment. 1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice. 1000 Friends of Oregon has long been involved in advocating for the full implementation of Goal 10, the statewide land use planning goal that sets the Housing objectives for our towns and cities to reach in their land use planning.¹

Oregon needs almost 500,000 new homes over the next 20 years to meet the housing needs of current and future residents.² Over two-thirds of those homes are for those with incomes under 120% of area median income (AMI), and almost half are for those with incomes under 80% AMI. Meeting Oregon's housing needs requires some new tools, especially financial ones.

Senate Bill 684 provides a tool new to Oregon but proven in other jurisdictions, by creating the Construction Revolving Loan Fund at the Oregon Housing & Community Services (OHCS) agency. General funds will be used to seed public-private partnerships with below market rate loans, to develop housing that integrates affordable, work force, and market-rate units, while providing long-term affordability for the affordable units. The fund is structured to be self-sustaining, with the loans being repaid and then reinvested into new projects.

In other states where this type of revolving loan fund for mixed income projects has been in place, it has been successful in both building new projects but also in bringing private projects

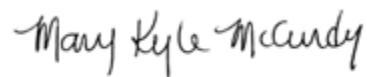
¹ The primary goal statement of Goal 10 is:

“To provide for the housing needs of citizens of the state. Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.”

² Oregon Dept of Administrative Services, [Oregon Housing Needs Analysis Methodology](#), p. 36.

to the finish line with public dollars, in exchange for inclusion of affordable units.³ The Construction Revolving Loan Fund provides a win-win, by bringing a powerful new financial tool for building both market-rate housing and affordable housing. Moreover, as these types of developments throughout Europe have shown, integration of housing for different income levels brings families of all sizes and ages together, building strong, inter-connected communities.

Thank you for consideration of our comments.

A handwritten signature in cursive script that reads "Mary Kyle McCurdy".

Associate Director

³ For example, see the presentation by Montgomery County, Maryland on Montgomery County's Housing Production Fund, <https://olis.oregonlegislature.gov/liz/2025R1/Downloads/CommitteeMeetingDocument/294408>; the city of Atlanta's social housing fund, <https://atlantaciviccircle.org/2023/07/03/atlanta-launching-urban-development-corporation/>