

Submitter: Trevor Newhart

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure, Appointment or Topic: SB50

Re: Support for SB 50-1

Chair Pham, Vice-Chair Anderson, and Members of the Committee:

I am asking for your support of SB 50-1. This bill provides dedicated Local Innovation and Fast Track (LIFT) resources for the 2025-27 biennium to support public housing authorities and nonprofits in the acquisition of recently built, market rate housing to convert to affordable housing in the Portland Metro area. SB 50-1 takes advantage of current market conditions in the Portland Metro area that allow for affordable housing units to be created much quicker and at a significantly lower costs through acquisition of existing housing rather than designing and building from scratch. The acquisition of existing, market rate housing for conversion to affordable housing is currently 3 to 5 years faster and 30 to 50% less expensive than new construction. These acquisition efforts also help spur production of new housing supply by providing developers the working capital they need to break ground on their next endeavor.

While LIFT funds can already be used for acquisitions, housing providers seeking to create new affordable housing through acquisitions have to compete with new

construction, conversions, and other eligible uses of LIFT funds through the Oregon Centralized Application (ORCA). This process is competitive and creates barriers to securing funding in time to meet private market closing timelines. SB 50-1 addresses this problem and seizes on this critical moment in the real estate market by setting aside \$60 million of LIFT funds dedicated to the Portland Metro region to support this important work.

[If writing as an individual, share a paragraph about your personal interest in creating more affordable housing quickly. If writing as an organization, share a paragraph about your organization and why these issues are important to your members or your organization.]

SB 50-1 is a smart use of public funds and responds to the need for affordable housing now. I urge you to support SB 50-1. Thank you for your time and consideration.

Sincerely,
Trevor Newhart
JOIN
AFSCME 1790