



April 17, 2025

Senator Fred Girod and Representative Rob Nosse  
Co-Chairs, Joint Subcommittee on Capital Construction  
900 Court St NE, Salem, OR 97301

**SB 5505: General obligation bonds for affordable housing production and preservation**

Dear Co-Chairs Girod and Nosse and Members of the Committee,

Innovative Housing, Inc. urges you to continue investing general obligation bond proceeds to build new affordable homes – for both rental and homeownership – and to also use bond funds to preserve our state's existing affordable housing.

We strongly support SB 5505's proposed investments in:

- Local Innovation and Fast Track (LIFT) Affordable Rental Housing Program
- Local Innovation and Fast Track (LIFT) Homeownership Program
- Permanent Supportive Housing Program

In addition, we call on the Legislature to dedicate a total of \$285M in bond revenue in the 2025-2027 biennium to address the growing need to preserve existing affordable homes – including both rental housing and manufactured housing parks. Affordable housing preservation can be funded through a mix of general obligation and lottery bonds; we call on the Capital Construction Subcommittee to include at least \$100M in general obligation bonds toward this purpose through SB 5505, in addition to \$160M in lottery bonds as recommended by Governor Kotek.

The dangers of under-investing in housing preservation are clear: existing affordable housing properties are deteriorating and may be lost to the market while unsustainable operating costs deplete resources and threaten the financial health of housing operators. Each of these outcomes places vulnerable, low-income Oregonians at risk of losing their homes. When housing providers' existing properties become troubled assets, we face severe challenges assembling the financing needed to develop new affordable housing. Funding new production and preservation is not an either/or decision: failing to invest in preservation creates insurmountable threats to new production.

HB 5505's investments in new rental housing, new homes for homeownership, and new units of Permanent Supportive Housing are desperately needed. A corresponding investment in the preservation of existing affordable housing is required both for its own sake, and to keep new affordable housing production going across the state.

Sincerely,

*Sarah Stevenson*

Sarah Stevenson, Executive Director