

Submitter: Stephen McMurtrey
On Behalf Of: dream development llc
Committee: Joint Committee On Ways and Means Subcommittee On
Capital Construction
Measure, Appointment or Topic: SB5505

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,

dream development llc 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 \$185M in lottery bonds as recommended by Governor Kotek.

The dangers of under-investing in housing preservation are clear: existing affordable housing properties are deteriorating, converting to market-rate, and dragging down the finances of housing operators due to unsustainable operating costs. Each of these outcomes places vulnerable, low-income Oregonians at severe risk of losing their homes and becoming homeless. When housing providers’ existing properties operate at a deficit due to lack of capital for refinancing and rehabilitation, those same providers will be unable to assemble the financing needed to develop new affordable housing through the LIFT program. 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,
Stephen McMurtrey
Owner
dream development llc