



# FHDC

A Home is Just the Beginning

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**

Co-Chairs and Members of the Committee,

For the record, I am Maria Elena Guerra, the Executive Director of the Farmworker Housing Development Corporation. Our nonprofit organization develops and operates low-income housing in rural communities across Oregon. Through our efforts, approximately 2,500 individuals have a place to call home in Linn, Marion, and Polk Counties.

I am here today to urge you to continue investing in general obligation bond proceeds to build new affordable homes, both for rental and homeownership. Additionally, I encourage you to use these 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, a program dedicated to house underrepresented communities.
- Local Innovation and Fast Track (LIFT) Homeownership Program
- Permanent Supportive Housing Program

We urge the Legislature to allocate a total of \$285 million in bond revenue for the 2025-2027 biennium to address the increasing need to preserve existing affordable homes, including both rental housing and manufactured housing parks. We request that the Capital Construction Subcommittee include at least \$100 million in general obligation bonds for this purpose through SB 5505, in addition to the \$185 million in lottery bonds as recommended by Governor Kotek.

The dangers of under-investing in housing preservation are evident: existing affordable housing properties are deteriorating, being converted to market-rate, and causing financial strain for housing operators due to unsustainable operating costs. Each of these outcomes puts vulnerable, unrepresented communities in rural areas and low-income Oregonians at significant risk of losing their homes and experiencing homelessness. When providers of existing properties operate at a deficit because they lack the capital for refinancing and rehabilitation, they become unable to secure the financing necessary to develop new affordable housing through the LIFT program.

The investments proposed in HB 5505 for new rental housing, homes for ownership, and additional units of Permanent Supportive Housing are vital. It's also essential to invest in preserving existing affordable housing, as this not only serves its own purpose but also helps sustain the production of new affordable housing throughout the state.

Thank you for your attention to this important matter.

**Maria Elena Guerra** (MEG), MPA

Executive Director

Farmworker Housing Development Corporation