

Submitter: Traci Manning

On Behalf Of:

Committee: Joint Committee On Ways and Means Subcommittee On Capital Construction

Measure, Appointment or Topic: SB5506

Co-chair Girod, Co-chair Nosse and members of the Committee,
My name is Traci Manning and I'm the Executive Director of Housing Development Center. We're a nonprofit that has been working throughout Oregon for 30 plus years to build and sustain affordable housing. I am testifying in support of funding \$880 M in general obligation bond proceeds to continue the commitment of Oregonians to building housing that is affordable in for our communities.

This resource funds the LIFT program, designated to build for and in underserved communities, which the Legislature defined in statute as rural communities and communities of color. With LIFT funds we have built housing all over the State, including Umatilla, Phoenix, Lincoln City, Hillsboro, family housing in Hood River, and Farmworker housing in Lebanon.

This same resource funds Permanent Supportive Housing, which directly marries our goal of building housing with the goal of ending homelessness for our veterans, families and neighbors. With this investment we are able to scatter homes that are accessible for people ending homelessness in Toledo, Salem, Happy Valley, and for native Americans living in urban Portland.

LIFT and Permanent Supportive Housing also leverage federal funds, bringing them to Oregon and making our funds go further.

Importantly this year we are asking that a portion of this housing investment - \$100 million in general obligation bonds on top of the Governor's request for \$185 million in lottery backed bonds – be dedicated by the legislature to preserve the affordable homes that we already have. While we are gaining ground in building new affordable housing, we can't afford to lose the affordable homes we already have.

Oregon is on the brink of losing affordable homes faster than we build them. The operating environment has undergone a seismic shift. Skyrocketing insurance rates, utility cost inflation, interest rate hikes, and deep rent arrears. These extraordinary operating challenges are pummeling properties across the country. And they hit our affordable inventory harder, because we intentionally hold down rents to keep them affordable for the families living there. Some of these homes are at risk of foreclosure, which will eliminate rent restrictions. Those that limp along at a loss will drag down their nonprofit owners financially—constraining their ability to get financing for new, critically needed housing developments.

We have a plan to protect Oregon's affordable homes at risk from both ordinary and

extraordinary threats. With relatively small new investments, we can keep thousands of at-risk homes in service for many decades, at 10-50% of the cost to build new—if we act now.

I urge you to invest in Oregon's future by dedicating our resources to building it.