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May 9, 2025

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

## Support for SB 5531: Lottery bonds for affordable housing preservation, and infrastructure to support new housing production

Dear Co-Chair Girod, Co-Chair Nosse and Members of the Committee:

My name is Shannon Vilhauer and I am the Executive Director of Habitat for Humanity of Oregon. On behalf of our organization and the 23 local Habitat for Humanity affiliates we serve, we urge your strong support for investments included in SB 5531 that will preserve and protect Oregon's existing affordable housing, and ensure that new housing production moves forward:

- \$100M for the Housing Infrastructure Fund, which will support the development of new housing across the state (Section 14 of the bill); and
- \$185M to preserve Oregon's existing affordable housing including both rental housing and manufactured housing parks (Section 8 of the bill).

We strongly support the \$100M Housing Infrastructure Fund in Section 14, in line with Governor Kotek's proposal in HB 3031 (which was recommended unanimously by the House Committee on Housing and Homelessness). Habitat for Humanity affiliates working in Oregon communities of all sizes struggle to fund the transition from bare land to build-ready lots. In too many instances, garnering the capital needed to fund critical site infrastructure—including transportation, water, wastewater and stormwater systems—can extend the overall construction timeline by several years. These critically needed predevelopment resources will be a gamechanger, expediting the construction of homes affordable to low-income and middle income Oregonians, in communities of all sizes.

We strongly support the \$185M dedicated to affordable housing preservation in Section 8 of SB 5531. Thirtysix affordable housing properties in Oregon face foreclosure in the next two years. An additional 76 properties are operating at a monthly deficit, 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. With sufficient bond funding – including the \$185M in SB 5531 – these properties can be rescued and kept in service for current residents and future generations.

Please maintain these two essential investments in SB 5531. Together, they will protect our existing supply of affordable homes and advance the production of the new housing that is desperately needed across our state.

Thank you for your leadership and support,

Shamon M. Vilhaver

Shannon M. Vilhauer, Executive Director