



## Community And Shelter Assistance Corp.

20508 SW Roy Rogers Road Suite 155 Sherwood, OR 97140

Phone: (503) 537-0319

[www.casaoforegon.org](http://www.casaoforegon.org)

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To: Chair Gelser and members of the Senate Committee on Human Services and Early Childhood

From: Peter Hainley, Executive Director of CASA of Oregon

RE: HB 2629-A

CASA is a 501(c)3 non-profit that has been working in rural communities for the past 27 years to ensure that farmworkers and other low income populations have access to safe, decent and affordable housing.

Much of the housing built in rural areas is developed using loans and grants from USDA Rural Development (RD). CASA has helped develop hundreds of RD-financed units, both new construction as well as rehabilitation. RD's multi-family housing programs often include rental assistance subsidies ensuring that tenants don't pay more than 30% of their income towards their rent. While RD has programs available that will allow some of these maturing mortgage projects to re-amortize the debt ensuring that the rental subsidies continue, others will not qualify for these programs and the rental assistance simply goes away.

We are currently working with the Klamath Housing Authority to preserve the Merrill Apartments in Merrill, Oregon which is subject to a maturing mortgage. The residents in this project are typical of those residing in RD-financed apartments; very low income (average annual income \$9,500), senior and/or disabled. Once the project's mortgage matures, nearly all of the tenant's income will be go towards paying rent and utilities. They will likely need to relocate.

While HB 2629 will not help preserve the units at Merrill or other RD properties with maturing mortgages, it will help prepare residents for an orderly transition, giving them some time to adjust for the higher rents or seek out alternative living arrangements.

While it is a small measure to help protect some of Oregon's rural poor, it will help alleviate a bit of the angst that these folks will face.

Thanks for considering my testimony and I urge you to pass this bill.



EQUAL HOUSING OPPORTUNITY