



KATE BROWN
Governor

May 28, 2015

Dear Co-Chair Girod, Co-Chair Read & Members of the Joint Committee on Ways and Means Subcommittee on Capital Construction,

I support the proposed \$100 million investment to catalyze development of much needed housing throughout the state.

We know that success begins at home, and a safe, stable affordable place to live means that kids can go to school ready to learn, people can find and keep jobs, families will be healthier and as a state we can accomplish our goals. Housing that meets the needs of individuals and families is an essential part of the infrastructure that builds a strong workforce and sustains local economies.

In Oregon, to afford a two bedroom apartment at fair market rents, you'd need to make \$16.61 an hour – something very few of our workers do. Oregon ranks 25th in terms of how expensive we are compared to other states in the US. That shouldn't make us feel particularly good – far too many of our residents are experiencing housing instability and we have a severe shortage of affordable homes. One in three households spend more than half their income on housing, leaving too little money left over for other basic necessities like food and medicine. Many communities are also struggling with extremely low vacancy rates – less than one percent in some communities, rising rents, and wages that don't keep pace with the cost of housing.

There is more we can do to make sure members of our communities can afford safe, stable places to call home. Having a home is the foundation for opportunity for all our residents.

We know how to solve the problem of housing instability and homelessness. We need more affordable homes, which is why I support this investment of \$100 Million in affordable housing, which will add approximately 4,000 new units to meet the needs in our communities.

Although this is a new use of funds, OHCS has worked with legal counsel to ensure the legality of the use. Additionally, OHCS has worked with stakeholders to discuss the feasibility of the proposed investment which has sparked the imagination and innovation of partners in our state. I'm happy to report that our state's housing authorities have pledged



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over 600 project based section 8 vouchers (federal rent subsidy) to help support this investment. If passed, this investment will leverage over \$70 million over the next 15 years in federal rent subsidies in Oregon. This is an example of how community partners can bring diverse resources to the table to leverage the State's investment to support the families facing the greatest need.

Thank you for your work to open the doors of housing opportunity for Oregonians.

Sincerely,

A handwritten signature in blue ink that reads "Kate Brown". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Governor Kate Brown

KB:del