



Joint Ways & Means Subcommittee on Capital Construction
May 12, 2017
Hearing on SB 5530

Testimony from Peter Hainley, Executive Director
Community and Shelter Assistance Corp. (CASA of Oregon)

Co-Chairs Girod and Holvey and members of the Committee:

I urge support of the Housing Alliance request for \$100 million in lottery bonds to preserve existing affordable housing in Oregon.

CASA is a statewide non-profit that operates primarily in rural areas. We work with residents of manufactured home parks to form limited-equity nonprofit cooperatives so that they are able to purchase their communities from the owners. This process not only preserves affordability but empowers residents to take on the ownership and operation of their community. To date, we have converted 10 parks to resident ownership and have another three conversions in process.

We also assist community organizations to preserve existing USDA Rural Development multi-family complexes that are in jeopardy of going to market rate. We have preserved affordable housing communities in Milton-Freewater, Boardman, Corvallis, Scappoose, Hood River, Mt Angel, Dayton and Woodburn. We are currently working to preserve units in Silverton, Merrill, Nyssa, Milton-Freewater, McMinnville and Woodburn.

We finance these preservation projects with a mixture of private, state and federal resources. The manufactured home parks primarily access private loans from local banks along with some state grants and tax credits (if they are available). Preserving federally-subsidized apartment complexes always requires state funding to fill in the gaps. We appreciate that the legislature and Oregon Housing and Community Services have consistently prioritized allocating the state's scarce resources on projects that have existing federal rental assistance and manufactured home communities, projects that house increasingly marginalized populations.

Rural areas are hit particularly hard by the lack of affordable housing. These communities have very few resources and need outside investment to preserve what little affordable housing exists. Typically, affordable housing in rural areas is more than 30 years old and in relatively poor condition. Low Income Housing Tax Credits, the largest source of funding for affordable housing in the country, have had mixed results in rural Oregon. Lottery-backed bond funds have been a crucial tool to preserve housing in rural Oregon

Thank for your support of SB3350 and your ongoing commitment to preserve Oregon's affordable housing.