

Housing and Community Services

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April 12, 2019

Senator Fred Girod Representative Paul Holvey Co-Chairs, Ways and Means Subcommittee on Capital Construction 900 Court St. NE, HR E Salem, OR 97301

Re: HB 5005 – Support for Affordable Housing Investments

Dear Co-Chair Girod, Co-Chair Holvey, and Members of the Subcommittee:

I write to urge your support for Governor Brown's proposed investments in the Local Innovation and Fast Track (LIFT) housing program (\$130 million) and Permanent Supportive Housing (\$50 million).

The LIFT program is a critical state resource that leverages federal and private investment to increase our state's supply of affordable housing. To date, the LIFT program has funded over 2,000 affordable rental homes and 147 homes for purchase <u>throughout Oregon</u>, providing families in rural Oregon and communities of color with a stable affordable place to call home.

LIFT has been a catalyst in the historic affordable housing production we see today in Oregon, with over 8,500 homes in the current OHCS development pipeline. LIFT is also a critical component of the <u>Statewide Housing Plan</u>, which is guiding OHCS resources and programs to meet the housing needs across our state for the next five years and includes an ambitious goal of adding over 25,000 new homes into our development pipeline. I urge your support for \$130 million for LIFT, which would bring an additional 2,000 much needed affordable homes to Oregon families.

HB 5005 would also invest \$50 million to support the development of Permanent Supportive Housing (PSH), a proven model for housing the most vulnerable members of our communities who may not otherwise be able to maintain stable housing. The investment proposed in HB 5005 would fund the capital development for PSH units and leverage additional resources at the Oregon Health Authority (OHA) to support rent and operations subsidy with the supportive services that complete the PSH model. A wide body of evidence supports the success of PSH in providing better outcomes for those experiencing chronic homelessness and reducing costs to public systems including health care, behavioral health, criminal justice, and emergency services, among others.

OHCS is already hard at work standing up a statewide Permanent Supportive Housing pilot, leveraging our agency expertise with that of our partners at OHA, following national models and



April 12, 2019 HB 5005 – Support for Affordable Housing Investments Page 2 of 2

best practices, including the expertise of our local partners implementing successful PSH models. With your support, the resources in HB 5005 will bring permanent supportive housing to communities across the state.

Thank you for your consideration, I urge your support for \$130 million in LIFT funding and \$50 million to develop Permanent Supportive Housing, two critical resources that will greatly further our efforts to address the housing need throughout Oregon.

Sincerely,

Margaret Solle Salazar Director, Oregon Housing and Community Services