



April 17, 2019

Joint Ways and Means Subcommittee on Capital Construction

Attention: Co-Chair Girod, Co-Chair Holvey, and Members of the Committee.

Thank you for the opportunity to testify. CASA of Oregon helps local direct-service organizations improve the lives of Oregonians, particularly in the rural areas of the state. We are organizers, advocates and development consultants focused on building hope, homes, and financial health for those in need. We have been doing this work for over 30 years and are asking for your support of HB 5030, and the Housing Alliance request for \$100 million in lottery bonds to maintain affordable homes across Oregon.

CASA of Oregon is a state wide non-profit organization whose mission is to improve the lives of Oregonians in underserved communities by building affordable housing, neighborhood facilities, and programs that increase families' financial well-being.

We do this work so that people are empowered with the building blocks for a better life.

As we are all aware, housing costs throughout Oregon have skyrocketed. More and more families are pay a disproportionate amount of their income toward rent. The only way that is going to change is to add more units of affordable housing to the existing stock.

CASA is advocating for additional resources to maintain affordable homes across Oregon. In particular, we advocate for additional resources to preserve manufactured home parks as affordable.

To date, CASA has converted 14 manufactured home parks to resident ownership. These properties house very low to low income families, who own their home individually and the land beneath their home cooperatively. Following is information about the most recent park that became a cooperative.

- o Deer River Cooperative was converted to resident ownership in March 2019. The park is located in Clatskanie, Oregon, on the Columbia River. It hosts 39 spaces for low income residents who are all members of the cooperative. This Cooperative shows the power of preserving affordable housing, increasing the value of the homes (because the land is secured as affordable) and empowering the residents to own and operate their own business. This type of preservation is so important to help low income Oregonians protect the very few assets they have and to build on those assets for a more equitable world.

Manufactured housing is the largest supply of unsubsidized affordable housing in Oregon. We are limited to the number of parks we can successfully convert to resident

ownership because of the subsidies required to keep the property affordable. When parks are owned by investors, they expect a return on their investment. That return usually is in the form of annual rent increases. With additional resources we could convert more of these parks every year, preserving this important stock of affordable housing.

Many of the residents who live in these cooperatives earn low wages or live on fixed incomes (seniors). Without the subsidy currently provided by OHCS, these low income residents would likely experience space lease increases of over \$100 per month just to own and operate their park. With that kind of increase, many of the existing residents would be forced to leave their asset and either find some other type of affordable housing or become homeless. And even if they do stay, something else has to give, like buying less food, not getting the medicines they need, turning down the electricity, etc. All of these options lead to less stability, higher risk of health issues and a general decline in the quality of life for these residents. When they are able to purchase the park at affordable rates, the residents have blossomed. Each cooperative has a board of directors who are elected by the membership. With technical assistance, they prepare annual budgets, form committees to oversee the property, hire a property manager to collect rents, serve notices, etc, and make capital improvements to the park. This process has preserved affordability and empowered the residents to believe they can accomplish more than they ever anticipated. Without

Today, we have the opportunity to invest in maintaining safe, stable, and affordable homes across Oregon, and ensure they will be available for the next generation. Oregon needs to steward these communities for future generations without risking the closure of a park, or rapidly rising rents. Across Oregon, we have manufactured home communities that provide safe, stable, and affordable homes for members of our community, we need to make sure they stay affordable.

CASA supports the Housing Alliance request for \$100 million to acquire manufactured home parks. All of us deserve to have a safe, stable, and affordable place to call home. Your support of the Housing Alliances request will help us make that a reality.

Thank you for your time and consideration for this request. We also appreciate all the work you are doing to make Oregon the best place in the world to live.

All the best,



Peter Hainley
Executive Director