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April 9, 2021

Co-Chairs Girod and Holvey Joint Committee on Ways and Means Subcommittee on Capitol Construction 900 Court Street NE Salem, OR 97301

RE: \$250 Million Investment in Affordable Housing (SB 5505)

Dear Co-Chairs Girod and Holvey, Members of the Committee:

I write to urge your support for Governor Brown's proposed investments in the Local Innovation and Fast Track (LIFT) housing program and Permanent Supportive Housing. OHCS is requesting \$250 General Obligation bonds in SB 5505 to build on historic investments from this body. This investment is a vital competent of the <u>OHCS 2021 Legislative Agenda</u>.

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 3,600 affordable rental homes and 200 homes for purchase throughout Oregon, 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 and is a critical component of <u>Oregon's 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.

Permanent Supportive Housing (PSH) is a proven model for housing the most vulnerable members of our communities who may not otherwise be able to maintain stable housing, combining deeply affordable housing and wrap around services. A wide body of evidence supports the use of PSH to achieve better outcomes for people and reducing costs across systems including health care, criminal justice, and emergency services.

The Governor's Recommended Budget includes OHCS' Policy Option Package 103 which requests \$250 million in Article XI-Q General Obligation bond funds for LIFT Rental, LIFT Homeownership, and PSH. These resources will be allocated to the different programs in partnership with our policy advisory body, the Housing Stability Council, and in response to market conditions and community development needs.

These bonds are a vital part of the tool belt at OHCS. Over the last five years, we have honed the use of these funds to create long-term stability for Oregonians through three distinct



programs. I urge you and your colleagues to continue the trend of historic investment in the supply of affordable homes. With your investment this session, Oregon will exceed the ambitious goals of our Statewide Housing Plan.

Sincerely,

Margaret Salazar Executive Director, Oregon Housing and Community Services

