

April 9, 2021

Joint Ways and Means Subcommittee on Capital Construction Oregon State Legislature 900 Court Street NE Salem, OR 97301

Dear Co-Chair Girod, Co-Chair Holvey, Members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to respectfully request that you include in SB 5505 \$250 million in Article XI-Q General Obligation bonds for the Local Innovation and Fast Track (LIFT) Housing Program, and \$50 million in Article XI-Q General Obligation bonds for Permanent Supportive Housing (PSH) to provide safe and stable places to call home for more Oregonians.

The Oregon Housing Alliance is a coalition of more than ninety organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the foundation on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices including affordable housing developers, residents of affordable housing, local jurisdictions, and organizations working to meet basic needs in every corner of our state.

We believe that all Oregonians need a safe, stable, and affordable place to call home.

Prior to the COVID-19 pandemic, we knew that already, too many seniors, families, and people who experience disabilities were paying too much of their income towards rent, and were experiencing other forms of housing instability. One in four renters in Oregon pay more than 50% of their income towards rent, leaving very little left over for basics like food, medicine, and transportation costs. Across Oregon, we simply do not have enough affordable and available homes for every household who needs one.

Investments in Local Innovation and Fast Track (LIFT) Housing Program: One of our most essential strategies to address housing needs is to invest in building new, affordable homes — both for rent and for sale. Building new affordable homes creates opportunity for seniors, people with disabilities, families, and people with low incomes in our community to access stability and safety.

Since 2015, the Legislature has committed \$320 million in Article XI-Q General Obligation Bonds to the LIFT Program, which has funded over 3,600 affordable homes. These homes are being built across Oregon – in small communities such as Astoria, Newport, Ontario, Prineville, Florence, and Klamath Falls, in larger communities like Roseburg, Bend, Redmond, and Eugene,

and in cities across the Portland metro area. These homes have primarily been built as affordable rental housing, with priorities to serve rural communities, families, and communities of color.

In 2017, the Legislature and Oregon Housing and Community Services made the decision to allow some of these resources to be used for permanently affordable homeownership opportunity, and these homes are now in progress in communities such as Bend, Redmond, Florence, Cottage Grove, and Portland.

We are requesting that in 2021, the Legislature and Oregon Housing and Community Services continue to allow up to 20% of any available resources for the LIFT program to be dedicated to affordable homeownership and build on this record of success.

Developers of affordable housing across Oregon are ready to do this work. They have completed project plans, acquired vacant land, and are now waiting for resources to implement their plans. We surveyed members who develop affordable housing across Oregon in the fall of 2020, in preparation for the 2021 Legislative session, and found proposals that spanned the state, from the Deschutes County to Umatilla County to Benton County to Multnomah County, and found demand of over \$200 million. To be clear, we only asked members of the coalition for this information – we know there are dozens of other affordable housing developers operating across Oregon who have similar developments planned, who are also in need of resources.

In the latest round of LIFT funding, offered in the spring of 2021, Oregon Housing and Community Services received \$156 million in applications, with awards to come.

Housing that is affordable and available is desperately needed across Oregon, and affordable housing developers including non-profit and for-profit organizations as well as Public Housing Authorities stand ready to build it as soon as the Legislature makes funds available.

Oregon Housing and Community Services (OHCS) has been implementing the LIFT program since it was created by the Legislature in 2015. The framework is in place to effectively use the resources. OHCS has developed operating agreements to fulfill the constitutional obligation of the Article XI-Q bonds, and a rigorous competitive process to ensure projects which meet the objectives of the program and are ready to proceed are funded.

We have identified significant capacity to expand the LIFT program – housing developers across Oregon are ready with plans and proposals for hundreds of new homes. We ask that the Legislature invest \$250 million in Article XI-Q General Obligation Bonds to develop new affordable homes for rent and for sale for Oregonians with low incomes.

Investments in Permanent Supportive Housing: For some Oregonians who are currently or have previously experienced homelessness, additional support is needed to end homelessness and prevent it from reoccurring. We all need a safe place to call home, and for some Oregonians, additional support is needed to help them maintain that home. These Oregonians may have medical conditions, mental health issues, or substance abuse disorders, and likely have experienced significant and prolonged homelessness.

Research has shown that permanent housing plus supportive services – medical care, mental health care, substance abuse treatment – are the most effective interventions to help people maintain access to their housing.

In other states, and in Oregon, investments in permanent supportive housing have been critical to ensure that people facing complex challenges receive the support they need. Developing successful permanent supportive housing requires partnerships between housing providers, health care providers, local communities, and others.

The Housing Alliance requests that SB 5505 include \$50 million in Article XI-Q bonds to develop new, permanent supportive housing across Oregon, as well as an investment of rental assistance and services dollars through the Oregon Health Authority budget.

Investing in the basics – a safe, stable, affordable home for Oregonians with low incomes – has positive ripple effects across our state. We know what home, and what stable housing, means to all of us. When people have safe and stable housing, it has important and significant benefits. Kids are able to focus on the things that matter – being kids, doing their homework – instead of worrying about where their families will sleep at night. Parents are able to focus on work. Safe and stable housing that people can afford is key to accessing opportunity.

We urge your strong support of investments in safe, stable, and affordable homes across Oregon.

Thank you very much for your time, and for your service to our state.

Sincerely,

Alison McIntosh

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On Behalf of the Oregon Housing Alliance

Housing Alliance Members

1000 Friends of Oregon

211info

Aging in the Gorge

Benton Habitat for Humanity

Bienestar Bradley Angle BRIDGE Housing

Business for a Better Portland

CASA of Oregon Central City Concern Chrisman Development

Church Women United of Lane County

City of Beaverton
City of Eugene
City of Forest Grove
City of Hillsboro
City of Hood River
City of Portland
City of Tigard

Clackamas County

Coalition of Community Health Clinics Coalition of Housing Advocates

College Housing Northwest

Community Action Partnership of Oregon

Community Action Team Community Alliance of Tenants Community Development Partners

Community Housing Fund

Community Partners for Affordable Housing

Community Vision

Cornerstone Community Housing

DevNW

Ecumenical Ministries of Oregon Enterprise Community Partners

Fair Housing Council of Oregon

Farmworker Housing Development Corp.

FOOD for Lane County

Habitat for Humanity of Oregon

Habitat for Humanity Portland/Metro East

Hacienda CDC Home Forward Homes for Good

Housing Authorities of Oregon

Housing Authority of Clackamas County

Housing Development Center

Housing Oregon Human Solutions Immigrant & Refugee Community Organization

Impact Northwest Innovative Housing, Inc. Interfaith Alliance on Poverty

IOIN

Lane County Health and Human Services

League of Oregon Cities

League of Women Voters of Oregon

Lincoln County

Looking Glass Community Services

Mainstream Housing Inc.

Metro

Mid-Columbia Housing Authority

NAYA Family Center

Neighborhood Partnerships

NeighborImpact

NeighborWorks Umpqua

Network for Oregon Affordable Housing

Northwest Housing Alternatives

Northwest Pilot Project Oregon AFSCME Council 75

Oregon Coalition of Christian Voices Oregon Center for Public Policy

Oregon Coalition on Housing & Homelessness Oregon Council on Developmental Disabilities

Oregon Food Bank Our Children Oregon

Partners for a Hunger-Free Oregon

Portland Community Reinvestment Initiatives

Portland Homeless Family Solutions

Proud Ground Raphael House REACH CDC

Residents Organizing for Change (ROC Oregon)

Rogue Action Center

Rose CDC

St. Francis Shelter

St. Vincent de Paul of Lane County, Inc.

ShelterCare

Sisters Habitat for Humanity

Sponsors, Inc.
SquareOne Villages
Street Roots
Think Real Estate
Transition Projects

Washington County Welcome Home Coalition