



HOUSING ALLIANCE

February 2, 2022

Senate Committee on Housing and Development
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Dear Chair Jama, Vice Chair Anderson, Members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to express our support for SB 1557, which creates a pilot program to prevent the displacement of people who are living in affordable housing in which the use restrictions have expired.

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 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 deserve 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. Today, we simply don't have enough affordable homes for people who need them, and vacancy rates have dropped precipitously towards zero in communities across Oregon. People – our neighbors and members of our community – are struggling with homelessness, housing instability, rent burdens, and to make ends meet and put food on the table.

Over the years, we've built thousands of affordable apartment homes in towns and cities across Oregon. These apartment homes have been built to make sure families, seniors, and people with disabilities have a safe, stable, and affordable place to call home. These apartment homes have provided stability, safety, and affordability for area residents for the last thirty-plus years. People who live in these homes are seniors, people experiencing disabilities, and families just starting out.

All affordable housing is built with use restrictions for a period of time – most often thirty or sixty years. At the end of that period, owners can either renew their commitments, or they can allow them to expire. In recent years, the Legislature has passed several laws to keep these properties affordable. The Legislature has also invested millions of dollars to maintain and

Contacts: Alison McIntosh, amcintosh@neighborhoodpartnerships.org; (503) 816-2882
Loren Naldoza, lnaldoza@neighborhoodpartnerships.org; (503)226-3001 x104
www.oregonhousingalliance.org

rehabilitate these homes. While we do everything possible to keep this housing as affordable housing, once the initial agreement has expired owners can transition to the private market.

SB 1557 would support the residents of buildings whose owners have chosen to allow the restrictions to expire, rather than continuing to maintain properties as affordable housing. SB 1557 provides a small rent assistance subsidy to help the current tenants in those affordable housing units remain in their homes so they aren't displaced due to increased rents.

SB 1557 would provide a modest rental assistance subsidy to residents who live in buildings where the use restrictions have expired, and the owner has converted the property to a market rate rental. To date, two buildings – one in Salem and one in Tigard – have allowed the use restrictions to expire in the last eighteen months. Both of these buildings were financed with the federal Low Income Housing Tax Credit (LIHTC), and they had reached the end of their thirty year affordability period.

The rent assistance proposed in SB 1557 would only support residents who live in the building prior to conversion, and have no other tenant based assistance. The assistance would provide a small monthly subsidy equal to the amount of the rent increases that a resident experiences as a result of the conversion to market rate housing. SB 608 (2019) limits rent increases to seven percent plus the consumer price index (9.9% in 2022), and applies to this type of housing. Residents would remain eligible as long as they remain in the unit. The assistance would not follow the resident if they moved. The program would be administered through the local Public Housing Authority.

We must do all we can to prevent the loss of affordable housing in our communities. These two buildings collectively represent nearly 400 units that will no longer be affordable housing, unless current efforts to buy these buildings succeeds. When all our efforts fail, though, we as a state and as a community must step in to prevent the displacement to the residents who've called these buildings home.

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

Sincerely,



Alison McIntosh
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
Cascade AIDS Project
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 Action Program of East Central Oregon
(CAPECO)
Community Alliance of Tenants
Community Development Partners
Community Housing Fund
Community Partners for Affordable Housing
Community Services Consortium
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
Horizon Project, Inc.
Housing Authorities of Oregon
Housing Authority of Clackamas County
Housing Development Center
Housing Oregon
Human Solutions
Immigrant & Refugee Community Organization
Innovative Housing, Inc.

Interfaith Alliance on Poverty
JOIN
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
Mercy Housing Northwest
Mid-Columbia Housing Authority
Mid-Willamette Valley Community Action Agency
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 Consumer Justice
Oregon Council on Developmental Disabilities
Oregon Food Bank
Our Children Oregon
Partners for a Hunger-Free Oregon
Portland Community College
Portland Community Reinvestment Initiatives
Portland Housing Center
Portland Homeless Family Solutions
Portland: Neighbors Welcome
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.
Springfield Eugene Tenant Association (SETA)
SquareOne Villages
Street Roots
Think Real Estate
Transition Projects
Washington County
Welcome Home Coalition
West Tuality Habitat for Humanity
Wishcamper Development Partners

Contacts: Alison McIntosh, amcintosh@neighborhoodpartnerships.org; (503) 816-2882

Loren Naldoza, lnaldoza@neighborhoodpartnerships.org; (503)226-3001 x104

www.oregonhousingalliance.org