



The Oregon Housing Preservation Project

Preservation polices and practices

Senate Committee on Housing – June 7, 2023

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Certified nonprofit community development financial institution (CDFI)

Formed in 1990 by Oregon banks to finance multi-family affordable housing

\$350 million in loan capital administered across several loan programs

Loan types offered include permanent, short-term acquisition, predevelopment, and tax-exempt bonds

NOAH historic lending activities:

- 350 total loans made or committed

- 17,000 total units financed

- \$600 million in total combined loans

Affordable housing advocacy and policy including preservation of publicly supported housing and manufactured housing





America's Affordable Housing System

Public Housing – 1935 through 1974

1965 HUD created and privatization of affordable housing begins

1965-1980 HUD-FHA and USDA mortgage programs

1974 Congress creates project-based Section 8 programs

1986 Congress creates the Low-Income Housing Tax Credit

1990s - Contract expirations and HUD mortgage prepayments begin





Oregon Housing Preservation Project

Formed in 2007 by NOAH with affordable housing industry experts from the public, nonprofit, and private sectors

Key public sector partners included Oregon Housing and Community Services the City of Portland, HUD and Rural Development

Philanthropy provided critical support for the initiative:

Meyer Memorial Trust

Oregon Community Foundation

Collins Foundation

MacArthur Foundation





Five key strategies of the Oregon Housing Preservation Project:

- 1) Create a database of Oregon's federally assisted multifamily rental housing projects: [PreserveOregonHousing.org](https://www.PreserveOregonHousing.org)
- 2) Offer short-term financing through the Oregon Housing Acquisition Fund – 43 loans to date preserving 2,621 total units
- 3) Streamline housing agency processes – Inter-Agency Working Groups, Steering Committee, national working groups
- 4) Build support in the legislature for ongoing investments in preservation
- 5) Propose preservation-focused legislation



Dedicated Preservation Funding Allocated by the Oregon Legislature 2007-2022

2007-08	8,000,000	General Fund
2008 Special Session	2,000,000	\$1 mil General Fund & \$1 mil from OHCS
2009-10	16,300,000	Lottery Backed Bond Revenue for subsidized properties
	3,100,000	LBB Manufactured Housing Park preservation
2011-12	5,000,000	LBB for subsidized properties & MH parks
2013-14	5,000,000	LBB for subsidized properties & MH parks
2014	2,500,000	LBB for subsidized properties & MH parks
2015	2,500,000	LBB for subsidized properties & MH parks
2016	2,500,000	LBB for subsidized properties & MH parks
2017	25,000,000	LBB for subsidized properties & MH parks
2019	25,000,000	LBB for subsidized properties *
	15,000,000	LBB for Manufactured Housing *
2020	15,000,000	LBB for subsidized properties & MH parks
2021	100,000,000	General Fund for subsidized properties & MH parks
2022	\$85,000,000	General Fund for subsidized properties & MH parks
2023**	\$140,000,000	LBB & GF for subsidized properties & MH parks (Requested)

Total 2007-2022: \$271,900,000

* The 2019 approved lottery bond sale was cancelled due to COVID

** Oregon Housing Alliance request. Governor Kotek has requested \$118 million for the 2023-25 biennium

Preservation Related Legislation Passed/Proposed 2015-2023

2015 Session	House Bill 2629	Requires one-year Notice of mortgage maturity for Rural Development properties
2017 Session	House Bill 2002	Preservation of Publicly Supported Housing, expands Notice requirements, establishes opportunity to purchase and right of first refusal. Required OHCS to create and maintain a state-wide database of affordable housing
2018 session	House Bill 4028	Revise OAHTC to allow an LLC or an LP controlled by a nonprofit organization to be an eligible purchaser of manufactured home parks
2019 Session	House Bill 2896	Preservation of Manufactured Housing, established Manufactured Housing Community Preservation Fund, Manufactured Home replacement and decommissioning grant and created Manufactured Housing Advisory Committee
2021 Session	House Bill 2095	Required one-year notice of expiration of use restrictions to residents of publicly supported housing
2022 Session	Senate Bill 1557	Would have created a state tenant protection voucher program for resident of expiring rent restricted properties. Bill stalled but \$1 million secured to assist residents at two expiring LIHTC properties
2023 Session	House Bill 3042	Extends Notice requirements and Right of First Refusal period. Establishes 3-year safe harbor period to protect residents impacted by transition to market rent
2023 Session	Senate Bill 2653	Establishes a preservation tax credit to incentivize owners of affordable housing to sell their property to a buyer willing to preserve it for an additional 30 years



OHCS a key partner in the Oregon Housing Preservation Project

Administer the PuSH preservation regulations (HB 2002 – 2017):

- Expiration notices, ROFR, maintains housing expiration data

- Maintains set aside for preservation in the annual 9% LIHTC NOFA

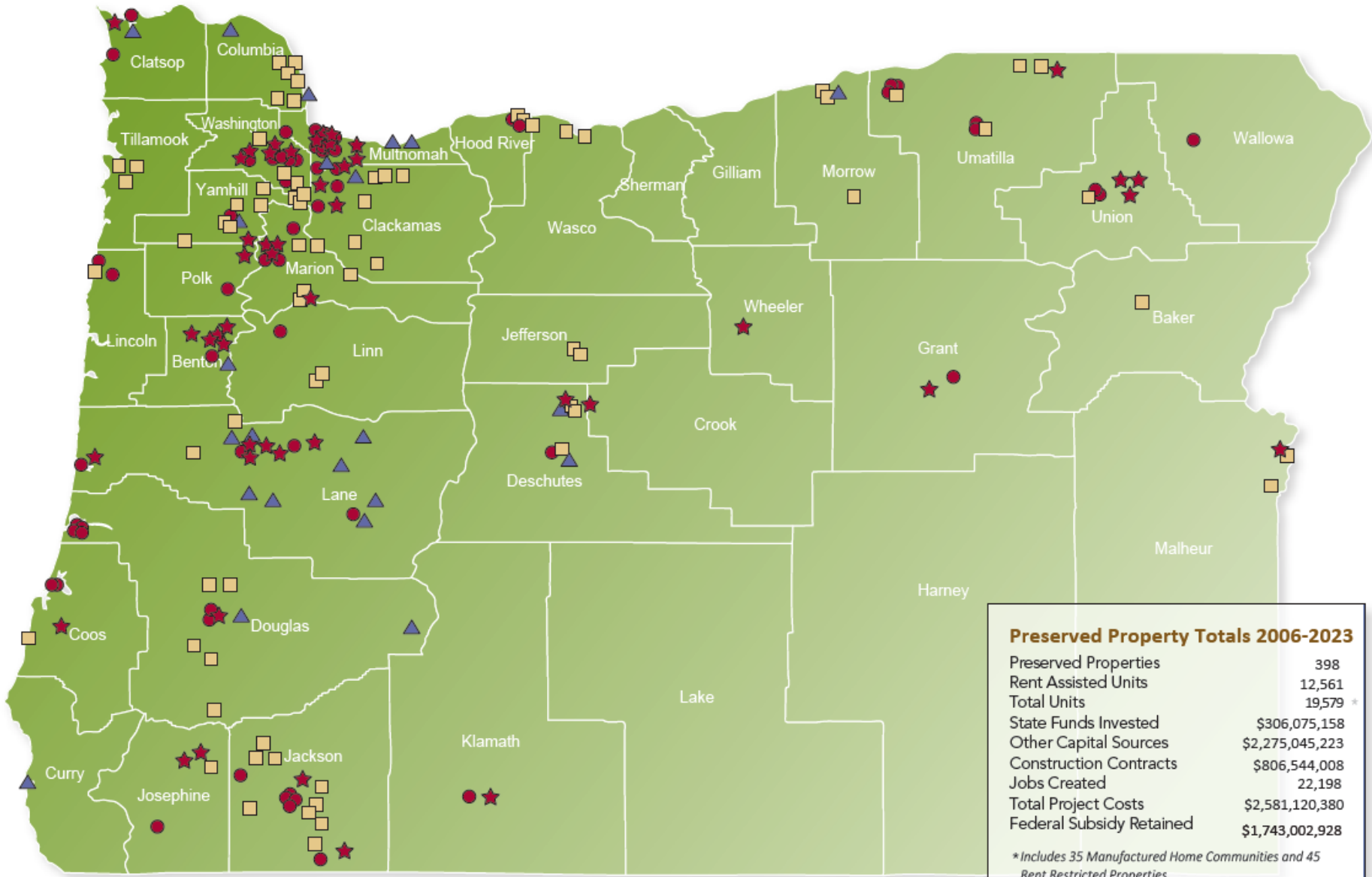
- Offer gap funds for preservation bond transactions – often portfolios of scattered site, small rural projects

- Annual Manufactured Housing Community Preservation NOFA

- In 2022-23 OHCS preserved 48 total projects with 2,872 units



Preserved Housing in Oregon, 2006-2023



Preserved Property Totals 2006-2023	
Preserved Properties	398
Rent Assisted Units	12,561
Total Units	19,579 *
State Funds Invested	\$306,075,158
Other Capital Sources	\$2,275,045,223
Construction Contracts	\$806,544,008
Jobs Created	22,198
Total Project Costs	\$2,581,120,380
Federal Subsidy Retained	\$1,743,002,928

*Includes 35 Manufactured Home Communities and 45 Rent Restricted Properties.
Totals include estimates for projects funded but not yet closed.

★ HUD Section 8 New Funding ● No New Funding ■ Rural Development 515 ▲ Manufactured Housing Community

As of October 2022 - Includes projects funded after July 2006.



Preservation Challenges and Opportunities

Rapidly growing inventory of affordable housing properties coming to the end of their restricted use period

Rural Development maturing mortgages – preserve or lose permanently

Improve data and risk analysis of expiring portfolio

Permanent source of preservation funding

Extend affordability terms or adopt permanent affordability

Training and capacity for rural organizations

Tenant protections during conversion to market housing





Chaucer Court, Portland, 84 unit seniors & disabled population, 100% Section 8



Merrill Apartments, Merrill OR, Rural Development, 12 units, 11 with RA



Woodspring Apartments, Tigard OR. Expired LIHTC, 172 units, senior housing



Woodspring Apartments, Tigard OR. Expired LIHTC, 172 units, senior housing



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