

March 2, 2023

Oregon Legislature Joint Committee On Ways and Means
Subcommittee On Transportation and Economic Development

Dear Co-Chair Woods, Co-Chair Gomberg, and members of the Committee:

Subject: SB 5511 - OHCS Agency Budget Request for \$118 million for preservation

Northwest Housing Alternatives (NHA) is a community-based nonprofit that develops and holds real estate as permanent affordable housing. On behalf of the Board, staff team, and residents we urge your support of the Oregon Housing and Community Services (OHCS) Department Agency Request Budget - Senate Bill 5511. Each of the Policy Option Packages (POP) in the OHCS Agency Budget Request represent important opportunities to create and preserve critically needed affordable housing throughout the state. As a budget request we express support for its entirety.

Additionally, we express strong support for the Department's and the Governor's request for \$118 million for the preservation of existing publicly supported housing (POP 107). These funds will provide gap financing resources needed for preserving expiring federally-subsidized and rent restricted rental housing, manufactured housing communities, and for recapitalizing aging affordable rental housing having significant capital needs. These properties are at-risk of converting to market rate rents.

With previous "preservation funding" NHA has been able to preserve several properties throughout the state in communities where so few other affordable housing options exist. In preserving these properties, we have created long-term stability for Veterans, seniors, families, and people with disabilities who live on limited incomes. Without preservation funds, these properties were at high-risk of being converted to market rate rents by their previous owners – what would have been a tremendous loss to the wellbeing of the community and a devastating loss to the residents.

Preservation of existing publicly supported affordable housing and manufactured housing communities is good public policy that provides decades of additional service of each property by extending the life cycle of the real estate and retaining rental subsidies. OHCS has been a responsible steward of dedicated preservation funds and has preserved over 300 at-risk properties and manufactured housing communities with nonprofit partners like NHA since 2007.

We urge the Committee to support the full funding package and in particularly the \$118 million budget request for preservation funding. Thank you for your consideration.

Sincerely,



Executive Director