



March 31, 2023

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

RE: Support Bond Investment in Affordable Housing (HB 5005)

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

New Narrative (NN) is a 501(c)(3) non-profit, integrative mental health provider focused on the social determinants of health operating in Washington and Multnomah counties, within the greater Portland Metro area. Founded in 1977, NN operates nearly 40 sites and serves over 3,000 people each year in our programs ranging from outpatient and residential mental health treatment, transitional and permanent supportive housing, and peer support. We urge your support for HB 5005, which would provide critical bonding resources for housing investments during the 2023-25 biennium. Programs HB 5005 would fund are critical to increase affordable housing development in support of Governor Kotek's ambitious housing production goals. These investments would address our state's shortage of 140,000 homes, of which half need to be affordable, as called for in the *Oregon Housing Needs Analysis*.

New Narrative focuses on an integrative mental healthcare model and mission-based property management within our housing projects. If passed, this bill would provide resources for building more permanent supportive housing, specifically tailored to provide wraparound services for adults with chronic mental health challenges. This housing model offers stability and an opportunity to build rental history for individuals in the Portland area, many of whom have experienced, or are currently experiencing houselessness. By utilizing these resources, we will be able to work with other providers to receive referrals and provide a consistent resource to transition those exiting houselessness or ready to leave residential treatment facilities into stable housing. This year we are already in the process of opening 2-3 new sites and could expand this production even further in the future with these funds.

HB 5005 directs \$906 million in General Obligation Bonds for investment to the Local Innovation and Fast Track (LIFT) Rental Housing and Homeownership programs and the Permanent Supportive Housing Program. The LIFT programs have leveraged federal and private investments contributing to the production of 6,045 affordable rental homes and 473 homeownership opportunities for families in rural Oregon and communities of color. The Permanent Supportive Housing (PSH) program has created over 600 deeply affordable homes for people experiencing chronic homelessness connecting them with wrap around services.

HB 5005 allocates \$450 million in Private Activity Bonds (PAB) from federal resources to Oregon Housing and Community Services. New Narrative can use PABs to leverage tax-exempt private capital through the federal 4% Low Income Housing Tax Credit program. PAB investments make the LIFT program more successful and support local housing bond investments, bringing in more federal resources for both the production of new units and the preservation of existing affordable housing stock.

We have seen firsthand the transformative power of stable supportive housing in our community. New Narrative urges the subcommittee's support for HB 5005.

Sincerely,

Julie Ibrahim, CEO