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To: Senate Committee on Housing and Development From: Sybil Hebb, Oregon Law Center Date: April 17<sup>th</sup>, 2023 Re: Support for HB 3042A

Chair Jama, Vice-Chair Anderson, and members of the Committee,

On behalf of the Oregon Law Center, thank you for the opportunity to submit testimony in support of HB 3042A, which will help to preserve some affordable housing units that are at risk of turning over to market rates, and provide improved notice and modest protections for low-income residents living in affordable properties that do convert to market rates.

The Oregon Law Center (OLC) is a state-wide non-profit law firm whose mission is to achieve justice for low-income communities of Oregon by providing a full range of the highest quality civil legal services. The majority of our client community is rent burdened – one emergency away from homelessness – or are houseless themselves, living either doubled-up or in shelter, or living outside without adequate shelter.

A top priority for OLC is to create and implement successful homelessness prevention strategies. As we work towards long-term solutions by increasing housing supply, and as we work to address the immediate crisis of people living outside, we must also take swift and decisive action to prevent more homelessness. If we don't invest adequately in prevention policies and funding for prevention efforts, our efforts at intervention will be undermined.

Oregon has the 4th lowest rental vacancy rate in the country and renters are extremely rent burdened in our state. Four in 10 Oregonians rent their homes. According to the state economist, more than 50% of Oregon renters do not have enough money left over for food, medicine, and basic necessities. The situation is more serious for Black Oregonians, who are 30% less likely to be homeowners and more likely to be renters due to the legacy of historic policies that blocked Black people from purchasing and owning property in our state. On average, there have been more than 2,000 eviction filings per month every month from October of last year, with over 86 % of these filings due to nonpayment.<sup>1</sup>

It is clear that Oregon is facing a crisis of housing affordability, and if we do not act fast, the data will get worse. Over the next 10 years, affordability protections on over 7,500 units of affordable housing - homes for more than 7,500 Oregon households - will end. Many of these properties will turn over to the private, unrestricted market, displacing thousands of families all at once. The tenants at risk of displacement are low-income seniors, families with children, and people living with disabilities. These Oregonians will face displacement into a market with some of the lowest vacancy rates and most expensive rent rates in the nation, certainly risking homelessness.

<sup>&</sup>lt;sup>1</sup> Data pulled from Oregon Judicial Department public records.



HB 3042A is a reasonable proposal that will ensure that residents of housing with expiring affordability protections will get enough advance notice of the expiring protections so they can better plan their next steps, and provide modest protections against eviction and displacement for the remaining tenants in the three year period after the transition to market rate.

Passage of this bill will ensure that when a building's affordability protections are lost, its residents do not face sudden and immediate displacement into a saturated and expensive market, risking an increase in homelessness in the community. The bill's reasonable and modest provisions will prevent significant human suffering and community burden.

For these reasons, we urge your support. Thank you so much for your service to Oregonians.