



HB 4036 Preserve existing affordable housing

1. Establishes the HOLD fund

Housing Opportunity, Longevity and Durability

2. Dedicates \$100M in Article XI-Q bonds to the HOLD fund

3. OHCS reports to housing committees by December 1 2026 on options for improving efficiency and cost-effectiveness of affordable housing operations – including addressing regulatory barriers that keep units vacant and jeopardize financial stability.

HB 4036 Preserve existing affordable housing

Why should the legislature work to preserve affordable housing?

From OHCS presentation to the Governor's Racial Justice Council, Feb. 2025:

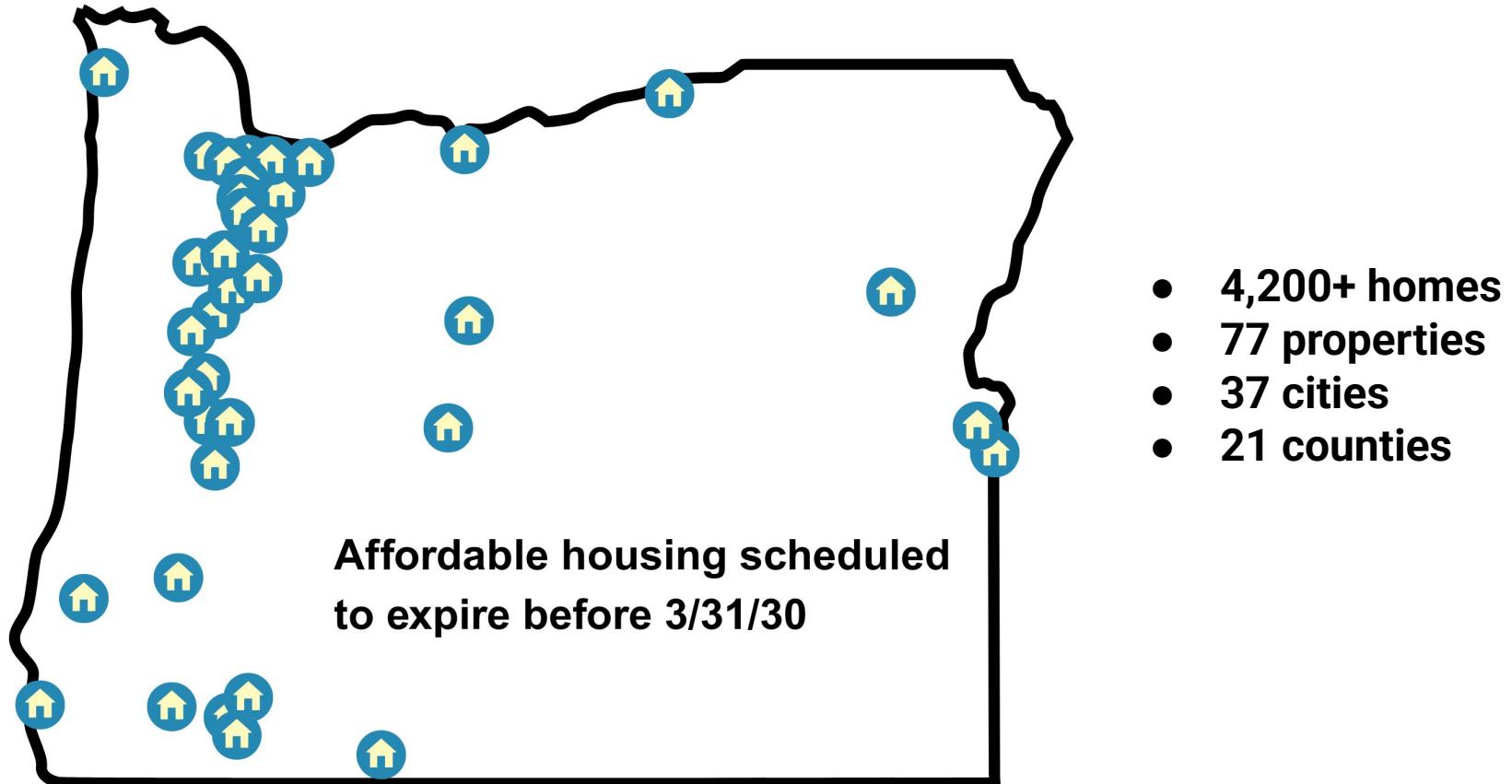
- All properties require periodic major rehab / recapitalization, but affordable properties by design don't generate a surplus to fund that
- If we can't keep up with preservation, we may lose affordable housing supply even while we build new units
- Significant impact to tenants when affordability is lost
- Preservation usually costs less than new construction

HB 4036 Preserve existing affordable housing

OHCS requested \$350M to preserve rental housing for 2025-27
\$50M allocated by the Legislature

5-year preservation pipeline <i>Per OHCS, Jan. 2025</i>	Properties / Units	Estimated Cost	Total need
Expiring federal rent assistance contracts	37 / 1,112	\$100-125M	
Expiring affordability restrictions	40 / 3,134	\$310-390M	\$753M+
Critical rehab needs	120 / 6,500	\$200M+	
Risk of foreclosure <i>per Housing Oregon</i>	110 / 7,000	\$143M	

HB 4036 Preserve existing affordable housing



HB 4036 Preserve existing affordable housing

OHCS requested \$25M to preserve manufactured housing for 2025-27
\$2.5M allocated by the Legislature

- Average of 64 parks listed for sale each biennium
- Parks with a total of 3,665 homes listed for sale during '21-'23 biennium
 - 7 parks with a total of 671 units were preserved as affordable housing

HB 4036 Preserve existing affordable housing

For the 2026 legislative session:

- \$86M available in lottery bond capacity
- **\$513M available in General Obligation bond capacity**

Pass HB 4036 to make Article XI-Q General Obligation bonds available for affordable housing preservation.

- **LIFT** to build new housing – estd. 2014.
- **HOLD** to preserve the housing we already have – estd. 2026?

OHCS, DOJ, and Legislative Counsel agree... It can be done!

Scope of Work

- ✓ Replace siding, roof, gutters, windows, light fixtures, balcony decking and railings
- ✓ Accessibility upgrades
- ✓ New countertops, cabinet doors, bath fans, blinds
- ✓ Air condition in each unit
- ✓ Replace selective appliances, flooring, and tub/shower surrounds



www.co.washington.or.us | Housing Authority of Washington County

PRESERVATION SUCCESS: WOODSPRINGS

- Washington County Housing Authority
- Early intervention with state partnership
- Long-term affordability preserved
172 units



PRESERVATION SUCCESS: ORCHARD PARK

- Salem Housing Authority – 224 Units
- State partnership enabled recapitalization
- Large-scale preservation impact



OLESON WOODS

- 32-unit family property in Tigard Oregon, including 3 and 4- bedroom apartments
- Critical life/health/safety issue - stairs deteriorating; roof, siding, and window flashing needed significant repair
- Received 1.2 MM from a pool of funds released in 2022, preserving the property for years to come





PRESERVATION NEED: COLUMBIA VIEW APARTMENTS

- Mid-Columbia County Housing Authority
- Expiring affordability restrictions
- Limited local capacity without state support
- Rural Preservation – 12 units

Resident-Owned Cooperatives



Manufactured Home Community (MHC) Preservation

- 28 MHC converted to resident-owned cooperatives (ROCs) since 2009, preserving 1,920 homes.
- St. Vincent de Paul of Lane County, NeighborWorks Umpqua, Sparrow Ministries, and the Housing Authority of Jackson County have preserved another 10 MHC representing an additional 560 homes. **All told, since 2006, 2,500 households have benefitted from preservation funding.**
- Preservation of MHC meets four of six goals established by the OHCS: Equity and Racial Justice, Homelessness, Homeownership and Rural Communities.



Benefits of the ROC Model

Preserving MHC is Cost Effective

Over the last 5 years, CASA has preserved units in MHCs at an average per unit subsidy cost of \$60,255. This compares to \$200,000 in subsidy for new multi-family builds.

Rents Remain Low

The average rent per unit across the ROC portfolio is approximately \$500 per space per month.

An Excellent Investment

Since 2013, preserved manufactured home communities with cooperative ownership have NOT missed a loan payment. The average cooperative operates at a 1.27 debt coverage ratio and there is an average vacancy rate of only 2.55%.



Demand for MH Preservation

Resident Inquiries

Since April 2025, CASA has received inquiries from 16 MHCs (958 units), 10 of these received a financial analysis for a potential conversion. Seven formal offers (representing 346 units) were made and two offers have been accepted.

Consequences of Limited Funding

Without grant funding, rent increases average between \$250 to \$300. This is nearly three times more than the historical increases taken on by ROCs.

The 2019 and 2021 legislatures provided \$13.2 million for short-term bridge funding for two Grants Pass MHCs totaling 213 units. These parks are at risk of default.





Riviera Mobile Park Co-op (Grants Pass)

- Converted to a Cooperative in January 2024
- 103 homes
- 55+ Community
- Bridge Loan Totaling \$10.3 Million
- 50+ Year Old Water/Septic System in Need of Upgrades