

February 3, 2026

RE: Support for HB 4036

Dear Chair Marsh, Vice-Chairs Anderson and Breese-Iverson, and Members of the Committee,

I am writing on behalf of Housing Development Center to urge you to support affordable housing preservation and HB 4036. Oregon took an important first step in 2025 by investing \$50 million in preservation. But this is a small fraction of what is needed.

- Over the next ten years, 3,000+ homes are at risk of loss because of expiring federal project-based rental assistance; and 5,000 more because of other affordability expirations.
- Roughly 2,300 units have major capital needs threatening long-term viability and tenant health and safety.
- More than 270 identified properties statewide do not consistently generate enough revenue to meet basic debt obligations.

The third risk, aka financial distress or property destabilization, is an emergent issue of high concern. In Oregon and across the country, post-pandemic structural shifts are causing affordable housing properties, including newly built properties, to financially sink.

HB 4036 will allow \$100M in Article XI-Q bonds to be used for preservation. This will apply to projects that involve acquisition or substantial rehabilitation that requires a full refinance and allows the state to retain sufficient ownership and operational control.

Affordable housing preservation works. It is the most cost-effective approach available to maximize our affordable housing supply. Prioritizing immediate preservation investments will avert the loss of publicly funded assets and keep vulnerable residents in their homes.

Again, I urge you to support HB 4036. Thank you for your time and consideration.

Sincerely,



Traci Manning, Executive Director, Housing Development Center