



3/1/2023

Senator Aaron Woods
Representative David Gomberg
Co-Chairs, Joint Ways and Means, Transportation and Economic Development Subcommittee
900 Court St NE
Salem, OR 97301

Re: Support for SB 5511

Dear Co-Chairs Woods, Gomberg and Members of the Committee:

Salem Housing Authority urges your support for Senate Bill 5511. This bill, providing over \$1.46 billion, will go a long way towards funding OHCS in order to:

- Reduce unsheltered homelessness this year;
- Rehouse people experiencing homelessness in the longer term;
- Build and preserve more housing units statewide; and

These historic investments will make significant progress towards Governor Kotek's annual production target to produce 36,000 housing units per year. It took years for Oregon to get into our current housing and homelessness crisis. We're going to need a sustained multi-year commitment to produce the housing supply we need in the next ten years. This budget proposal is an important step in the right direction.

Salem Housing Authority primarily utilizes this funding resource to develop and operate projects that serve our most vulnerable community members. Currently, Salem Housing Authority has two projects under construction. One project is Yaquina Hall, which will offer 52 new units of subsidized housing serving clients experiencing homelessness and / or serious and persistent mental illness with wrap around supportive services on-site. This project is a historic preservation of the former nurses' quarters for the State Hospital. The second project is Sequoia Crossings. This project is 60 units of permanent supportive housing in a variety of unit sizes to accommodate larger households and 24/7 supportive services on site. Both projects were funded with OHCS resources. This budget will ensure ongoing funding for affordable housing projects from mission driven, community-based nonprofits like ours will help reach the above goals.

The Governor's recommended budget invests \$1.0325 billion in proven supply solutions including OHCS' Local Innovation Fast Track (LIFT) Rental Program, Permanent Supportive Housing and preservation programs. This proposal also builds on more recent innovations we are excited about including a PSH Risk Mitigation Fund to stabilize operating costs and support the longevity of PSH developments.

I am writing to express strong support for the Department'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.

Governor Kotek's proposed 2023-2025 budget also includes \$118 million in combined lottery bonds and General Fund for preservation which, over the biennium, would support dozens of preservation transactions with several thousand affordable homes.

Preservation of existing publicly supported affordable housing and manufactured housing communities is good public policy that provides decades of additional service to their communities. OHCS has been a responsible steward of dedicated preservation funds provided by the legislature preserving over 300 at-risk properties and manufactured housing communities since 2007.

The \$415.45 million in the budget for homelessness response and prevention aligns with the Early Session package proposed by Governor Kotek. The Governor's recommended budget expands on those early investments to rehouse and maintain housing stability for households moving from unsheltered homelessness into stable housing; provides ongoing homelessness prevention support; maintains shelter operations; and creates new permanent supportive housing.

We urge you to support SB 5511 to fund OHCS, which balances the needs of Oregonians experiencing homelessness with addressing chronic housing supply shortfalls.

Sincerely,

Jessica Blakely
Assistant Housing Administrator; Director of development and Strategy
Salem Housing Authority