



March 28, 2025

Chair Pham, Vice Chair Anderson, and Members of the Committee:

I write today regarding the insurance concept in SB 829 -1 and urge you to consider the tremendous impact this will have on the stability of affordable housing communities across the State.

Housing Works is the regional housing authority serving Crook, Deschutes, and Jefferson Counties. We are the largest owner of affordable housing in the region with about 1500 units and counting, serving over 2600 community members—close to 1% of the region’s population.

A critical gap in the system of affordable housing operations has emerged recently with massive insurance rate increases and change, making it more challenging to get and keep insurance for our affordable developments. Our insurance providers are telling us that due to the Los Angeles fires, we should expect significant premium increases next year. This is on top of a 70% increase we’ve seen in insurance costs alone across the portfolio over the last few years. We operate on slim margins by design, and many of our buildings were locked into specific financing structures many years ago, predicting the moderate rate increases we had seen in the past. This is a new era.

The grants envisioned in SB 829 will help housing authorities grappling with rising costs across the State. Additionally, there is need to continue to pursue long-term solutions for when these grants are expended. I encourage this committee to include a study of rates, options for state support, and options available to affordable development, in your comprehensive preservation package.

Thank you for your tireless efforts to support creation and preservation of the most needed housing for our communities.

Sincerely,

Lynne McConnell
Executive Director

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Housing Works, the assumed business name of Central Oregon Regional Housing Authority