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To: Joint Subcommittee on Transportation and Economic Development
From: Sybil Hebb, Oregon Law Center
Date: March 30, 2021
Re: Support HB 5011, OHCS Budget

Dear Co-Chair Beyer, Co-Chair Gomberg, and Members of the Committee,

Please accept my testimony on behalf of the Oregon Law Center in support of HB 5011, and the recommended budget for the Oregon Housing and Community Services (OHCS) Department for the 2021-2023 biennium.

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. Helping families maintain safe, stable housing is a critical part of our work. Housing is about much more than a roof over one's head; it is about opportunity, stability, and health. Without stable housing, it is difficult or impossible for families to hold down a job, keep children in school, access neighborhood amenities, and stay healthy.

Housing instability can take many forms. 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.

Rates of homelessness pose great challenges for Oregon. Statewide, Oregon's population is growing¹ and yet housing production lags behind.² The cost of housing is high while incomes and vacancy rates remain low. Decades of federal divestment in affordable housing infrastructure and resources have directly led to a sharp increase³ in the number of Oregonians experiencing homelessness, including an increase in the number of school children without the stability of home.⁴ Oregon is one of four states nationally in which more than half of people experiencing homelessness are living unsheltered.

These circumstances have been exacerbated in 2020, due to the pandemic and extreme wildfires, which have devastated communities across the state and thrown families into further economic distress. In times of crisis like the ones that we experienced last year, and the one we are continuing to experience, a strong response to aid those who are most impacted is critical.

¹ Certified Population Estimates (July 1, 2019), Portland State University Population Research Center.

https://www.pdx.edu/prc/sites/www.pdx.edu.prc/files/Certified%20Population%20Estimates_%2012_15_2019.pdf

² Oregon Statewide Housing Plan 2018

³ Oregon Homelessness Point in Time Count 2019

⁴ Oregon Department of Education Homeless Student Data. https://www.oregon.gov/ode/schools-anddistricts/grants/esea/mckinney-vento/pages/default.aspx?utm_medium=email&utm_source=govdelivery



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Throughout the years, OLC has worked with OHCS to implement and administer various programs that make an important difference in the lives of our clients:

The Emergency Housing Account (EHA) and the State Homelessness Assistance Program (SHAP) provide critical funding to essential community partners serving our neighbors who are struggling the most. Many of our clients are survivors of domestic violence or sexual assault, and for these populations, EHA and SHAP funds can mean the difference between accessing shelter and returning to an unsafe home. Included in the OHCS budget is \$40 million for the Emergency Housing Account (EHA) and State Homeless Assistance Program (SHAP). However, **OLC and housing advocates at the Housing Alliance are advocating for \$50 million for these two programs to prevent and end homelessness.**

Long term rent assistance for youth: Oregon also has one of the highest rates of youth homelessness, including youth in the K-12 system, youth exiting the foster care system, and unaccompanied youth. Oregon should commit \$4.5 million to provide long term rent assistance for youth experiencing homelessness.

Agricultural Workforce Housing Tax Credit: Agricultural workers and their families are in need of safe and affordable homes to live in, either temporarily during harvest or permanently. Many agricultural workers live in substandard or overcrowded housing, while working hard to put food on the table for Oregon families. The credit is used to develop housing for agricultural workers both on farms and in the community. The current program is capped at \$15 million per biennium, and the Governor's Budget proposes to expand this to \$24 million;

LIFT for Rental Housing and Homeownership: Additional resources to develop regulated affordable housing are needed, including rental and homeownership opportunities. Since 2015, developers have successfully utilized general obligation bonds to build affordable housing through the Local Innovation and Fast Track, or LIFT Housing program. In 2021, the Legislature should commit \$250 million in Article XI-Q General Obligation bonds to this successful program for rental and homeownership units. (OHCS is requesting \$250 million total for LIFT and Permanent Supportive Housing.)

Permanent Supportive Housing: Permanent supportive housing is one of the key solutions to ending homelessness for people who experience health conditions, mental health issues, or addictions disorders. The Legislature should commit \$50 million in General Obligation Bonds and resources for rent assistance and services to help develop new supportive housing across Oregon.

Preservation of existing affordable housing: Across Oregon, we need to maintain our supply of existing affordable housing, and reinvestment is needed to maintain safe, stable, and affordable homes. These funds are needed to help to maintain all regulated, multifamily affordable housing, as well as public housing and manufactured home parks. The Legislature should commit \$100 million in Lottery



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Bonds to meet needs to maintain existing affordable housing across Oregon. (OHCS is requesting \$10 million.);

Land Acquisition: Purchasing land when it is available is critical. Oregon has a successful but underfunded Land Acquisition Program at OHCS, which has been successfully used to purchase and hold land for affordable housing while the developer puts together financing. The Governor's budget proposes \$20 million.

Down Payment Assistance: Across Oregon, people are eager to purchase their first home, but are struggling because of rising home prices. Assistance for down payments can help homeowners get into their first home. OHCS is requesting \$10 million to pair with their new loan product for first time homebuyers.

Addressing Racial Disparities in Homeownership: OHCS is seeking \$2 million to provide expand funding for staff to provide technical assistance and outreach to communities of color. Some strategies include: language access technical assistance, collaboration with culturally specific organizations, and outreach strategies targeted to communities of color.

Manufactured Home Park Preservation and Manufactured Home Replacement: Across Oregon, manufactured home parks are at risk of sale or closure. HB 5011 includes \$3.5 million to increase efforts to preserve manufactured home parks. In addition, thousands of Oregonians live in manufactured homes that were built before stricter laws were implemented by the US Department of Housing and Urban Development (HUD) for health, safety, design, and materials, or people may have lost their manufactured homes due to wildfire. HB 5011 expands on a program funded in 2019 to support homeowners to replace their homes.

Resources to develop affordable homeownership opportunities: Households across Oregon are seeking an affordable home to buy, but cannot find a first home that is affordable. More resources are needed to develop affordable homes for purchase across Oregon. OHCS is seeking \$10 million for this effort.

We strongly support the passage of HB 5011 so that organizations like ours can continue to partner with OHCS and work to serve the people of Oregon.

Thank you for your time and for your commitment to Oregonians.