



COMMUNITY DEVELOPMENT

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March 2, 2023

Joint Subcommittee on Transportation & Economic Development
900 Court Street NE
Salem, Oregon 97301

Dear Co-Chair Woods, Co-Chair Gomberg, and Committee Members:

**SB 5511, Appropriates Moneys from General Fund to OHCS for Biennial Expenses
Testimony for Public Hearing on March 2, 2023**

The City of Albany respectfully requests your support of SB 5511 be contingent upon the Oregon Housing and Community Services (OHCS) Department's budget being required to directly, and annually, provide funding to each city in Oregon to address and prevent homelessness.

If Oregon's homelessness crisis is to be rapidly and proportionally addressed, the state must reconsider how funds are implemented and how resources can be directed to reach all Oregonians. A direct and collaborative partnership between the state and its cities is critical to Oregon's response and a successful outcome. A competitive grant process and reliance on the Balance of State Continuum of Care is uncertain and inequitable. When faced with a crisis of this magnitude, it is critical that the State support the work being done by cities every day and that cities are able to directly support the development of housing to move people out of homelessness and into safe and affordable housing.

In Albany, the emergency shelters are full, serving 200 plus people nightly, and about 300 school aged children are without permanent housing. Moreover, almost half of Albany's rental households are rent burdened, with thousands paying more than 50 percent of their incomes on housing – leaving little for childcare and necessities. Almost 800 households are on the housing choice voucher waiting list, and when they rise to the top, they are often unable to find housing to utilize the vouchers. Lastly, many residents are saving money for home down-payments through the Individual Development Account savings program but can't find homes within their price range. If they could, they would free up an affordable housing unit for others. The OHCS budget should reflect this painful reality and ensure that cities are provided direct funding to quickly deploy resources, in coordination with county and provider partners, to make meaningful advancements in preventing and reducing homelessness.

Albany lacks funding to incentivize affordable housing. For example, DevNW was pursuing a 42-unit affordable homeownership housing project in Albany but needed city resources to be successful at securing LIFT and other funding. They applied for the limited SB 5561 funds but needed most of it to move the project forward. They withdrew their application due to competition and unlikely outlook

that they would get the amount needed. A direct funding source to the City would ensure these opportunities are not lost.

Providing each city direct funding ensures two things. First, it allows for a more rapid deployment of solutions to address and prevent homelessness. Second, it ensures state resources are reaching Oregonians in all communities. Annual funding enables cities, in partnership with counties and providers, to effectively plan their community response, commit to specific outcomes, and clearly measure and communicate local progress towards those outcomes. One-and-done funding is just not effective or realistic.

As frontline workers in the housing and homelessness crisis, cities know where resources are lacking, and where and how programs can be launched, to provide the most efficient and direct impact to the Oregonians who are not being reached under the current approach of competitive grants and indirect funding.

The City of Albany strongly encourages the Joint Subcommittee on Transportation and Economic Development to pass SB 5511, with an amendment that directly, and annually, allocates funding from OHCS to each city in Oregon.

Sincerely,



Matthew Ruettgers
Community Development Director