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*Kristy Rodriguez – Housing Authority of Malheur & Harney Counties*

February 2, 2022

Senate Committee on Housing and Development  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Re: Support for SB 1557, Preservation tenant assistance

Dear Chair Jama, Vice-Chair Anderson, Members of the Committee:

Thank you for the opportunity to offer Housing Oregon's support for SB 1557, which would create a pilot program to protect residents of publicly supported affordable housing from displacement when a property's use restrictions expire and are threatened with transitioning to market rate.

Housing Oregon is a membership-based statewide association of affordable housing nonprofit developers committed to serving and supporting low-income Oregonians across the housing needs spectrum – from homeless to homeowner. We are working towards a day when every Oregonian has a safe and healthy place to call home.

All regulated affordable housing has use restrictions typically between thirty to sixty or more years. Many are funded with federal Low Income Housing Tax Credits (LIHTCs) with use restrictions expiring at the end of thirty years. According to Oregon Housing and Community Services (OHCS), over 5,000 affordable rental homes in Oregon have rent restrictions that will be expiring between now and 2031.

These homes provide stability, safety, and affordability for thousands of Oregon families, seniors, and people with disabilities. Many of them are already paying too much of their income towards rent. With historically low vacancy rates in communities across Oregon, there are limited alternatives for

those confronted with the prospect of having to seek new housing. The COVID-19 pandemic and economic turmoil have only exacerbated the crisis.

There are currently two buildings with nearly 400 units – one in Tigard and one in Salem – where these use restrictions have expired. Several of our mission-driven and community-based nonprofits are attempting to purchase at least one of the buildings and prevent the loss of yet more affordable housing. To date, these efforts have been unsuccessful.

SB 1557 would provide a modest rental assistance subsidy to residents who live in buildings where the use restrictions have expired, and the owner has converted the property to a market-rate rental. This subsidy would be limited to the amount of the rent increase that a resident experiences as a result of the conversion to market-rate housing.

To control program costs, the rent assistance proposed in SB 1557 would only support residents who live in the building *prior* to conversion and have no other tenant-based assistance. Residents would remain eligible as long as they remain in the unit. The assistance is *not* transferrable. The program would be administered through the local Public Housing Authority.

Housing Oregon recognizes the State has made historic investments in affordable housing. But not all of these expiring properties will benefit from new preservation resources and those residents are at risk. We need to do all we can to protect the residents in those properties from displacement and possibly homelessness.

Please feel free to contact me if you have questions at 971-347-9508 or [stacie@housingoregon.org](mailto:stacie@housingoregon.org).

Sincerely,

Stacie Sanders  
Director of Policy and Advocacy  
Housing Oregon