

Support HB 3042 – Maintain Affordable Homes Across Oregon

Background: Over the years, thousands of affordable apartment homes have been built across Oregon under a variety of different government programs. These publicly supported affordable rental homes were built by private owners using resources from the state and federal government. These include tax credits and long-term rental assistance contracts, which help households with low incomes pay their monthly rent. In exchange for these state and federal resources, owners entered into long-term use agreements that guaranteed affordability for periods up to 40 years.

Over the next 10 years, use restrictions on over 7,500 units of affordable housing will end and many properties will become unrestricted, market rate rental housing. Each year we will experience more properties transitioning to market, exposing low-income tenants, including seniors, families and folks living with disabilities, with few housing options as owners are allowed to dramatically increase rents. Many of these properties will be preserved, but some will convert to market rate housing.

Addressing the Problem: **HB 3042** will improve our chances of preserving more of these expiring properties and will provide modest protections for residents living in properties that do convert to market.

Key Points of HB 3042

Residents of expiring publicly supported housing deserve to be notified of the changes in their housing situation.

HB 3042 will:

- Align the tenant notice requirement timeline with the current 30-month notice provided to the state and local government.
- Make the Notice to tenants passed in 2021, effective on passage of the 2023 bill.
- Require owners to inform all prospective tenants of the pending expiration prior to signing a lease or charging application-screening fees.
- Establish a three-year safe harbor period applicable to all withdrawing publicly supported housing. The safe harbor provision would protect residents from large increases during the transition to market rents.
- Require OHCS to monitor and enforce the three-year safe harbor period.
- Add penalties for noncompliance of notice requirements and violations of the safe harbor period rent limits.

As Oregon strives to build our way out of the shortage of affordable housing, must do all we can to preserve the affordable rental homes we already have. The loss of existing publicly supported housing destabilizes our communities and impacts our most vulnerable low-income families, seniors and people living with disabilities.

We urge your support of HB 3042.

These organizations endorse HB 3042



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