Preservation

For more than 30 years, Oregon has relied on federal rent subsidy contracts to provide housing for its most needy households. As an example, the Section 8 "project-based" program currently provides housing and rent subsidies that assist more than 30,000 Oregonians statewide. These contracts have provided housing for some of Oregon's lowest-income households.

Many federally subsidized contracts have expired and many more are scheduled to expire in the near future. OHCS and other affordable housing partners are working with existing and new owners to renew federal contracts, rehabilitate units where necessary, and set up state contracts to ensure that the housing is affordable for the next 30 years.

Preservation projects in Oregon	Preserved to date[*]	Currently at risk[**]	At risk through 2015[***]
Number of Projects	90	93	66
Total Affordable Units	3,337	3,477	2,007
Rent-Assisted Units	3,052	3,046	1,657
Federal Subsidy (est. 20 yr.)*	$219,744,000	$219,312,000	$119,304,000
Est. Replacement Value**	$667,400,000	$695,400,000	$401,400,000

* Preserved (funds allocated) 2004-08
** Projects at risk in 2009-10 plus those in the pipeline
*** Projects at risk 2011-15

Calculations assume rent subsidies of $350 a month.

Preservation of these units is critical to:

• Maintain the existing supply of affordable housing
• Avoid displacement of vulnerable residents
• Maintain low rents for low-income households
• Preserve millions in annual federal rental subsidies
• Avoid having to pay much more for new development

Some of the major challenges we face in preserving this affordable housing include:

• Encouraging owners to extend their contracts
• Finding new owners willing to commit to long-term contracts
• Finding lenders who are able to help finance affordable housing in today's troubled economy
• Finding investors who are able to participate in state and federal tax credit programs
• Finding "gap financing" to make projects financially viable

Lexington Apartments in Portland.