

**Testimony of Sam Chase, Metro Councilor, District 5
In Support of House Bill 3082
House Committee on Human Services and Housing
March 11, 2015**



Chair Keny-Guyer and members of the Committee:

As you know, Metro is the regional government of the Portland metropolitan area. The voters of the region created Metro specifically to address urban issues that are regional in nature rather than local and to deal with challenges that cross city and county lines. While Metro is typically recognized for its role in setting the urban growth boundary and coordinating the region's investments in transportation, we are also concerned about housing affordability, especially for the most vulnerable low income households that can be impacted by broader growth management policies.

In 2008, our region agreed on a set of six desired outcomes that together define successful communities.¹ One of those desired outcomes is that the burdens and benefits of growth are distributed equitably, both among our diverse communities and within individual communities. Ensuring that residents of the region have access to housing that they can afford, in places that allow them to meet their daily needs, is essential.

HB 3082 is important because it provides the stability that households need to improve their economic prosperity and work into home ownership and out of publicly subsidized housing. Under current statutes, a household that is below 60% of the area's median family income is assisted by allowing the local government to abate property taxes on dwelling units provided by a bona fide non-profit organization. Access to decent housing at an affordable rent provides stability to that household and the non-profit organization can facilitate access to programs that assist with a transition to market rate housing and home ownership. However, the current statutes create a cliff for that household with the loss of the property tax abatement if their income increases only \$1 above 60% of median family income. When a household is struggling to increase their income so they can escape from poverty and afford home ownership, the cost of property taxes can exceed their income increase, causing them to slip even farther behind.

This legislation provides the local government a second option: to allow for an abatement of property taxes for a household that is below 60% of the area's median family income when they first occupy the unit but then to provide a little breathing room by allowing the abatement to remain in place up to an 80% level. This change can offer more of an incentive for a household to strive for home ownership knowing that they will not face the cliff of property taxes as a result of a modest increase in their income.

Metro believes HB 3082 supports our region's desired outcomes for successful communities. We urge you to support HB 3082.

¹ The Portland metropolitan region's six desired outcomes:

- **Vibrant communities:** People live and work in vibrant communities where they can choose to walk for pleasure and to meet their everyday needs.

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- **Economic prosperity:** Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
 - **Safe and reliable transportation:** People have safe and reliable transportation choices that enhance their quality of life.
 - **Leadership on climate change:** The region is a leader in minimizing contributions to global warming.
 - **Clean air and water:** Current and future generations enjoy clean air, clean water, and healthy ecosystems.
 - **Equity:** The benefits and burdens of growth and change are distributed equitably.