



HOUSING ALLIANCE

House Committee on Human Services and Housing

Re: Testimony in Support of HB 2006

March 7, 2017

Dear Chair Keny Guyer, Vice Chair Olson, Vice Chair Sanchez, and members of the Committee:

My name is Jenny Lee, and I am writing on behalf of the Oregon Housing Alliance in support of House Bill 2006. The Housing Alliance is a coalition of more than 80 organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the base on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices from residents to local jurisdictions to non-profit housing developers and organizations working to meet basic needs in every corner of our state.

We believe that every Oregonian should have the opportunity to thrive in a safe and stable home, and our state's policies should reflect this fundamental value.

Oregonians across the state are struggling in our housing market. Last year, more than 21,000 school children experienced homelessness, a record number. Communities throughout Oregon face a dramatic shortfall of housing inventory that is affordable for people with low incomes. Meanwhile, rising home prices and heavy competition are pushing homeownership out of reach for many renters.

Today, our state allows homeowners to deduct the interest on their mortgage payments from their taxes. Allowing resources to be spent in this way does not help to address any of these challenges. We can recalibrate the structure of this deduction to continue helping those with moderate incomes, while redirecting our expenditures to focus more on people who need assistance affording a safe place to call home. This common-sense reform would propose to cap the amount of interest that can be deducted, disallow the deduction for second homes, and eliminate the deduction for people with high incomes. This is a balanced proposal that preserves the benefits of the mortgage interest deduction for the vast majority of Oregon's homeowners, while limiting it for those who don't need help covering their housing costs.

These reasonable adjustments to the mortgage interest deduction proposed in HB 2006 would result in funds that could be spent on proven strategies like affordable homeownership programs, emergency rent assistance, and the development of new affordable housing. Our state cannot afford to subsidize vacation homes when thousands of Oregonians have no home at all, and many more are struggling to make ends meet.

As the Housing Alliance, we know that homeownership brings many opportunities and stability to families. We believe that the most effective way to help more Oregonians become homeowners is through programs such as down payment assistance and the development of new affordable for-sale units. These targeted programs will help open the door to homeownership for the many Oregonians who are shut out in this market.

In the midst of an unprecedented housing crisis, we have an opportunity to make our housing policy more equitable and use these resources to meet urgent housing needs. We strongly encourage you to vote yes on HB 2006 to make smart use of our state's resources by investing in housing opportunity. Thank you for your consideration of this bill, and for your service to our state.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jenny Lee', is written over a faint, light-colored rectangular background.

Jenny Lee

On behalf of the Oregon Housing Alliance

Housing Alliance Members

*1000 Friends
211info
A Community Together (Lane County)
Aging in the Gorge
Benton County Health Department
Benton Habitat for Humanity
Bienestar
Bradley Angle
CASA of Oregon
Central City Concern
Church Women United of Lane County
City of Beaverton
City of Eugene
City of Hillsboro
City of Portland
City of Tigard
Clackamas County
Coalition of Community Health Clinics
Coalition of Housing Advocates
Common Ground OR-WA
Community Action Partnership of Oregon
Community Alliance of Tenants
Community Energy Project
Community Housing Fund
Community Partners for Affordable Housing
Community Vision
Cornerstone Community Housing
Ecumenical Ministries of Oregon
Enterprise Community Partners
Evolve Property Management
Fair Housing Council of Oregon
Farmworker Housing Development Corp.
FOOD for Lane County
Habitat for Humanity of Lincoln County
Habitat for Humanity of Oregon
Habitat for Humanity Portland/Metro East
Hacienda CDC
Housing Authority of Clackamas County
Housing Development Center
Human Solutions
Immigrant & Refugee Community Organization
Impact Northwest*

*JOIN
Lane County Health and Human Services
League of Women Voters of Oregon
Lincoln County
Mainstream Housing, Inc.
Metro
Momentum Alliance
NAYA Family Center
Neighborhood Economic Development Corp.
Neighborhood Partnerships
NeighborImpact
NeighborWorks Umpqua
Network for Oregon Affordable Housing
Nightingale Public Advocacy Project
Northwest Housing Alternatives
Northwest Pilot Project
Oregon AFSCME Council 75
Oregon Center for Public Policy
Oregon Coalition on Housing & Homelessness
Oregon Council on Developmental Disabilities
Oregon Food Bank
Oregon Housing Authorities
Oregon Opportunity Network
Partners for a Hunger-Free Oregon
Portland Community Reinvestment Initiatives
Portland Homeless Family Solutions
Portland Tenants United
Proud Ground
Raphael House
REACH CDC
St. Vincent de Paul of Lane County, Inc.
ShelterCare
Sisters Habitat for Humanity
Sponsors, Inc.
SquareOne Villages
Street Roots
Transition Projects
Urban League of Portland
Washington County
Welcome Home Coalition
Willamette Neighborhood Housing Services*