



HOUSING ALLIANCE

House Committee on Revenue

Re: Testimony in Support of HB 2879

April 12, 2017

Dear Chair Barnhart, Vice Chair Bentz, Vice Chair Smith Warner, and members of the Committee:

My name is Jenny Lee, and I am here today on behalf of the Oregon Housing Alliance in support of House Bill 2879. 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.

The wellbeing of every Oregonian begins at home. A stable home provides children with the foundation for success in school, maintains quality of life for people with disabilities, and provides a safe place for seniors to age.

Today, as you have heard, we are at increasing risk of losing a substantial number of units that are affordable to Oregonians with low incomes, both regulated affordable housing properties as well as low-cost private market rental homes. As regulated affordable housing communities reach the end of their affordability periods, they can convert to market rate, putting tenants at risk of losing their longtime homes. Our current real estate market has also led many owners to sell lower-cost market properties; often, the new owners impose dramatic rent hikes that displace existing residents.

As Oregon's affordable housing crisis intensifies, we must ensure that we keep every affordable home that we have. HB 2879 would help keep these units affordable by establishing a tax exemption for capital gains on the sale of multifamily affordable housing properties to nonprofits and housing authorities.

A similar tax exemption exists in statute, and has helped encourage manufactured home park owners to sell to nonprofits and resident co-ops. The exemption helps nonprofits to draw sellers' attention in a crowded market and make the sale more attractive, giving a competitive edge to mission-driven housing providers.

We can help nonprofits and housing authorities acquire these properties and keep residents in stable homes that they can afford, and ensure these homes will remain affordable for future generations. We respectfully urge you to vote in support of HB 2879 to create a simple and effective tool to preserve Oregon's affordable homes. Thank you for your consideration of this bill and for your service to Oregon.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jenny Lee', written in a cursive style.

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*