



Neighborhood Economic
Development Corporation

May 11, 2017

Testimony in Support of SB 5505 (LIFT Program)
Joint Ways & Means Subcommittee on Capital Construction

Dear Co-Chair Girod, Co-Chair Holvey, and Members of the Subcommittee:

NEDCO is a nonprofit community development corporation and affordable housing developer in Lane, Marion, and Clackamas counties, with a mission to help low and moderate income families and communities build assets. First time homeownership has been a cornerstone of our asset building activities for more than 30 years, including the development of modest, affordable homes and the provision of education and counseling for first-time homebuyers.

In 2016, NEDCO assisted almost 400 aspiring first-time homebuyers and current demand indicates we will exceed that in 2017. Despite having good credit, stable income, and savings for closing costs, fewer than 25% will likely find a home within their price range. Some of those will be outbid by cash investors.

Lack of affordable housing inventory is now our clients' single biggest barrier to homeownership. In Eugene, there are currently only 6 homes for sale under \$180,000 (affordable for a family at 80% median income), and 5 of those are only 2 bedroom.

The Local Innovation and Fast Track (LIFT) affordable housing program is an exciting tool to create more affordable units, including for homeownership. With the Legislature's support, NEDCO and the network of affordable homeownership agencies across Oregon are prepared to develop modest, affordable land trust homes that will remain an asset for Oregon families for generations.

We believe in the positive impact of homeownership in stabilizing families and communities, creating better health outcomes and helping kids be ready to learn in school. We are working towards an Oregon where access to homeownership is available for low- and moderate-income families and LIFT will support the development of new affordable homeownership options across Oregon.

We ask you to please support the \$100 million request for general obligation bonds for the LIFT program, including \$20 million for homeownership, helping increase the number of affordable homes in communities throughout Oregon.

Sincerely,

Emily Reiman

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