



June 26, 2017

Senate Committee on Finance and Revenue
900 Court Street NE
Salem, OR 97301

RE: House Bill 2377B: Local tax exemption for newly rehabilitated or constructed affordable multiunit rental housing.

Dear Chair Hass, Vice-Chair Boquist, and members of the Senate Committee on Finance and Revenue;

I am writing to share the city of Beaverton's support for House Bill 2377B. The city supports having an additional affordable housing tool to consider as we continue to see an inventory shortage of housing at various income levels.

The ability to provide relief to qualified individuals and organizations from all or part of property taxes on newly constructed or rehabilitated multiunit rental housing is a flexible tool to incentivize the addition of affordable housing options. A few years ago, the city observed a number of data sets provided by Oregon's Multiple Listing Service among others that found the average home price in the Beaverton area increased from \$164,000 (January in 2000) to \$256,000 (December of 2014) – an increase of 56 percent over a period of ten years. Simultaneously, it was found that incomes had increased only 23% in the same period. Other alarms were triggered when the census bureau had estimated the city's poverty rate at around 15% (nearly 1 in every 6 persons).

With concern over the affordability of the city's housing stock, the city commissioned a Housing Strategies Report in 2015. That report assessed the city's affordable housing need by comparing the supply for low cost housing with the demand of low income households. The study found the city had a shortage of 5,100 units that rent at or below \$620/month.

Current affordable housing options are very limited across the region. The Section 8 Housing Choice Voucher waitlist is closed, there are no project based vouchers currently being offered in Washington County, and waitlists for specialized housing for people with a disability are long. Meanwhile rents are increasing above what many fixed income and wage earning households can afford.

I urge you to support House Bill 2377B, as amended. We appreciate the Legislature's willingness to provide new funding tools that local governments can adopt and tailor to the needs of our communities. Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in blue ink that reads "Cheryl Twete". The signature is written in a cursive, flowing style.

Cheryl Twete
Community Development Director