Leoni Melissa

From:	Diane Linn <dianelinn@proudground.org>
Sent:	Tuesday, September 17, 2019 2:12 PM
To:	Sen Manning; Rep Meek; Leoni Melissa
Cc:	shannon@habitatoregon.org; Jackie Giordano; Alison McIntosh
Subject:	Feedback on the Draft Research Task for on Racial Disparities in Homeownership

Honorable Co-Chairs Representatives James Manning and Mark Meek and Melissa Leoni -   First and foremost we would like to thank you for your leadership and congratulate the Task Force for the thorough research and policy proposals that have been desperately needed for some time. The research you have presented makes a compelling case for immediate action. We look forward to supporting your efforts to engage in the best housing solutions for People of Color, especially African-American and Native American families in Oregon. We also plan to work with our partners around the state to help determine the highest impact legislative proposals to support generations of households who have been locked out of affordable housing opportunities.

We also strongly encourage public policy consideration of the long-term impacts of public investments in homeownership, as it relates to permanent affordability. We have seen that when homeownership investments are not permanently affordable, public resources are lost to market forces and only a few families benefit. An investment in permanent affordability is an anti-displacement tool that has a multi-generational impact on neighborhoods by ensuring homes can remain affordable for households earning between 30% AMI to 120% AMI. Leveraging public investment to serve generations of Oregonians is imperative in the current market. As a national leader of the Community Land Trust model, we request consideration of a different characterization regarding shared-equity homeownership investments, which can be found on page 7 of the draft report. Our suggestion is as follows:

Strike or Exclude, "The are concerns about use of this model for addressing racial disparities because it limits the ability of homeowners to accumulate wealth through homeownership and close the racial wealth gap." Add:

"For most Oregonians, homeownership is the primary way that households build wealth. But for generations the housing market has tried to exclude Households of Color from accessing homeownership. Shared-equity programs, like the Community Land Trust, were developed out of the Civil Rights movement by Communities of Color to ensure they could own land by collectively sharing resources. These shared-equity programs allow homebuyers to access homeownership and protect themselves from market-forces. In shared-equity programs, first-time homebuyers receive a fair return on their initial investment and agree to maintain that affordability for the next homebuyer. While still building wealth, these homeowners help future generations of homebuyers have access to affordable homes, like they did. On average, homeowners who have lived in their shared-equity homes for at least 10 years in Oregon through the largest Community Land Trust in the PNW, earn an average of $80,000 in equity in their home. All shared-equity homes remain in a non-profit's portfolio of affordable homes and the original investments grow as the home appreciates in value. In a shared-equity program, one-time funding serves an average of three, income-qualified households within the life of each shared-equity home. Forecasts assume that each home will last 50 years and half of the homes will resell to new income-qualified household every ten years building a resource for future families, preventing displacement and strengthening the community."

Thank you for your consideration of the edit we have offered. We so look forward to working to continue to tackle this critical challenge. Diane Linn

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