



February 9, 2019

To: House Committee on Human Services & Housing,

Dear Chair Keny-Guyer and Members of the Committee:

My name is Shannon Vilhauer, and I am the Executive Director of Habitat for Humanity of Oregon. I am writing to share our organization's support for HB 2001.

Habitat for Humanity helps families achieve stability by building and selling them a key asset: their home. Habitat homeowners pay down an average of \$50,000 in mortgage principal during the first 10 years of ownership, facilitating the very real intergenerational transfer of wealth. We have a proven track record of helping to close our state's minority homeownership gap. Over 10% of the households we serve have at least one member with a permanent disability. The average median income of Habitat homebuyers statewide is 41%. That's \$24,000 in annual earnings for a family of four. Thanks to Habitat's diligent homebuyer selection process and thorough financial education, our mortgage repayment rate exceeds 98%. This year Oregon Habitat for Humanity affiliates reached an important milestone. Together we have made the dream of stable and affordable homeownership a reality for 2,000 Oregon households. We are committed to doing still more.

Today, Habitat for Humanity affiliates based in 27 Oregon communities are actively building, selling and repairing homes. Each year, approximately two-thirds of the homes we build and sell are located in rural parts of the state.

Right now hardworking Oregonians from communities of all sizes are confronting a shortage of available homes for rent or purchase. Several teachers in Hood River started the year in campgrounds, unable to find a more permanent home prior to greeting their new students. Coastal hospitals are struggling to fill positions due to the shortage of available work force housing—creating an obstacle for skilled workers seeking to enter the fabric of the community.

HB 2001 is designed to stimulate the increased production of work force housing by stimulating "middle density" development, including the construction of duplexes and town homes. Habitat for Humanity often uses middle density strategies to maximize the number of homebuyers we

can serve on high-priced land with access to amenities like public transportation, local grocery stores and high quality schools.

Many Habitat for Humanity Executive Directors participate in local task forces, seeking for solutions to help address our statewide housing shortage. They have shared the observation that, especially in Coastal communities and rural areas, very little new residential construction is underway. When new homes are being built, these homes often have large square footage—or are designed to serve as a vacation rentals.

We strongly support the intention of this bill to stimulate both for profit and nonprofit construction of middle density housing by delaying the payment of impact fees until the time of homebuyer purchase. This is the type of innovative approach Oregon needs to begin to meaningfully incentivize increased production of workforce housing statewide.

Because Habitat for Humanity builds and sells homes at affiliates based in 27 Oregon communities, we are familiar with the true variety of code requirements and local residential zoning statutes. For this reason, we encourage legislators to continue to seek input from local municipalities, to ensure that the resulting “middle density” zoning standards will work on the ground in rural, suburban and urban settings.

Thank you for your thoughtful consideration of HB 2001 and for your service to Oregon communities

Respectfully,

A handwritten signature in black ink that reads "Shannon M. Vilhauer". The signature is written in a cursive, flowing style.

Shannon M. Vilhauer, Executive Director