



March 13, 2019

To: Senate Committee on Human Services

Dear Chair Gelser, Vice Chair Heard 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 strong support for SB 790.

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 approximately \$28,000 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%.

In addition, Habitat for Humanity provides low-income homeowners with critical home improvements in 24 Oregon communities. Our critical home repair programs took root in Oregon eight years ago. Last biennium, we provided 281 affordable home repairs across the state, making it possible for homeowners of modest means to live in health and safety. For Habitat for Humanity, this is just the beginning. Too many of our elders are still in need of a ramp to provide safe access to and from their home. Too many families are still anxiously considering how to preserve the health and integrity of their house as the roof begins to fail.

The Oregon IDA Initiative provides critical support for both the homebuyers we serve through first-time homeownership, and the homeowners who benefit from our critical home repair services. Each IDA saver benefits from financial management education and counseling. These skills are critical for Oregonians who are often the first generation in their family to purchase a home. Home Repair IDA's are also an important resource to fund home repairs for community elders, who are hesitant to put a lien on their home.

[Habitat for Humanity of Oregon](http://HabitatforHumanityofOregon.org)

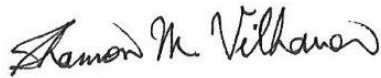
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The main problem we encounter is that local Habitat for Humanity affiliates have identified more willing IDA savers than available openings. Each year, the Oregon IDA initiative hits capacity long before it has reached all willing and eligible program applicants. For this reason, we strongly support increasing the tax credit authority from \$7.5 to \$15 million.

In addition, setting higher limits for annual match earnings will greatly assist homebuyers and home repair savers, as both home prices and repair costs are rising much faster than wages and inflation.

Thank you for your thoughtful consideration of SB 790. On behalf of the Board of Directors of Habitat for Humanity of Oregon and the 27 Habitat for Humanity affiliates building and repairing homes across the state, thank you for your service.

Respectfully,

A handwritten signature in black ink that reads "Shannon M. Vilhauer". The signature is written in a cursive style with a large initial 'S'.

Shannon M. Vilhauer, Executive Director