

April 3, 2019

House Committee on Revenue Oregon State Legislature 900 Court Street NE Salem, OR 97301

Dear Chair Nathanson, Vice Chair Findley, Vice-Chair Marsh, and members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to express our support for HB 2127, which extends the sunset on the capital gains exemption for manufactured home park sales to non-profits, housing authorities, or resident owned cooperatives.

The Oregon Housing Alliance is a coalition of ninety organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the foundation on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices including non-profit housing developers, residents of affordable housing, local jurisdictions, and organizations working to meet basic needs in every corner of our state.

We believe that all Oregonians need a safe, stable, and affordable place to call home.

Today, we simply don't have enough affordable homes for people who need them, and vacancy rates have dropped precipitously towards zero in communities across Oregon. People – our neighbors and members of our community – are struggling with homelessness, housing instability, rent burdens, and to make ends meet and put food on the table. During the last school year, over 21,750 of our school children in grades K – 12 experienced homelessness at some point during the year.

Manufactured home parks have been a key source of affordable housing for many residents across Oregon. In total, there are over 62,000 manufactured homes in over 1,000 communities across Oregon. As land value rises, manufactured home parks may be put at higher risk of closure. Oregon has adopted many policies and strategies over the years to prevent park closures, which displace residents in need of affordable housing, and for many, causes the loss of their most valuable asset – their home. These strategies include allocating resources to help non-profit organizations, resident owned cooperatives, or housing authorities to purchase parks and preserve affordability, a capital gains exemption to incentivize owners to sell to one of these three types of entities, and tax credits and policies which help residents move should their park be closed.

The capital gains exemption contained in HB 2127 provides a key incentive for park owners to consider selling to a non-profit organization, a public housing authority, or a resident owned cooperative. When park owners sell to these types of entities, the risk of park closure decreases significantly, and the park can remain more affordable for the long-term. Under the capital gains exemption being renewed in HB

2127, owners receive a financial benefit in the form of a tax incentive for selling to one of these types of entities, and helping to preserve the park, with a minimal cost to the state.

We know what home, and what stable housing, means to all of us. When people have safe and stable housing, it has important and significant benefits, and allows people to build for their futures. Kids are able to focus on the things that matter – being kids, doing their homework – instead of worrying about where their families will sleep at night. Parents are able to focus on work, on family, and on community. Safe and stable housing that people can afford is key to accessing opportunity.

We urge you to support HB 2127.

Thank you very much for your time, and for your service to our state.

Sincerely,

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Alison McIntosh On Behalf of the Oregon Housing Alliance

Housing Alliance Members

1000 Friends of Oregon 211info Aging in the Gorge Benton Habitat for Humanity Bienestar Bradley Angle **BRIDGE** Housing CASA of Oregon Central City Concern Chrisman Development Church Women United of Lane County City of Beaverton City of Creswell City of Eugene City of Forest Grove City of Hillsboro City of Hood River City of Portland City of Tigard Coalition of Community Health Clinics Coalition of Housing Advocates Common Ground OR-WA Community Action Partnership of Oregon Community Action Team Community Alliance of Tenants Community Housing Fund Community Partners for Affordable Housing Community Vision Cornerstone Community Housing Ecumenical Ministries of Oregon Enhabit Enterprise Community Partners Fair Housing Council of Oregon FOOD for Lane County Habitat for Humanity of Oregon Habitat for Humanity Portland/Metro East Hacienda CDC Housing Authority of Clackamas County Housing Development Center Housing Oregon Human Solutions Immigrant & Refugee Community Organization Impact Northwest Innovative Housing, Inc. Interfaith Alliance on Povertv JOIN

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